

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**FY 2015-16 STAFF BUDGET BRIEFING  
DEPARTMENT OF HUMAN SERVICES**

**(Child Welfare, County Administration, Early Childhood)**

**JBC Working Document - Subject to Change  
Staff Recommendation Does Not Represent Committee Decision**

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## **DEPARTMENT OF HUMAN SERVICES**

**(Child Welfare, County Administration, Early Childhood)**

### **Department Overview**

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the state. It supervises programs that are administered at the local level by counties and other agencies and directly operates mental health institutes, regional centers for people with developmental disabilities, and institutions for juvenile delinquents. This presentation focuses on three sections of the Department.

- **Child Welfare:** The Division of Child Welfare provides funding for programs that protect children from harm and assist families in caring for and protecting their children. Nearly 90.0 percent of funding in this division is allocated to counties, which are responsible for administering child welfare services under the supervision of the Department. County departments receive and respond to reports of potential child abuse or neglect and provide appropriate child welfare services to the child and the family, including providing for the residential care of a child when a court determines this is in the best interests of the child.
- **County Administration:** County Administration provides the 64 county departments of human services with resources to administer the Supplemental Nutrition Assistance Program (SNAP; formerly known as food stamps); and provides funding through County Tax Base Relief to assist counties with the highest costs and lowest property tax values in meeting the obligation of the local match required by the state for certain public assistance programs. Much of this funding supports county staff who determine eligibility for programs using the Colorado Benefits Management System (CBMS). Additional funding for county administration is included in program area budgets in other divisions and in the Department of Health Care Policy and Financing.
- **Office of Early Childhood:** This office includes the Division of Early Care and Learning and the Division of Community and Family Support. The Division of Early Care and Learning includes funding associated with the state supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP). Through CCCAP, counties provide child care subsidies to low income families and families transitioning from the Colorado Works Program. In addition, this division is responsible for licensing and monitoring child care facilities and for administering programs that are designed to improve the quality and availability of child care in the state. The Division of Community and Family Support includes funding for various early childhood family support programs such as Early Intervention Services and the Nurse Home Visitor Program.

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## Department Budget: Recent Appropriations

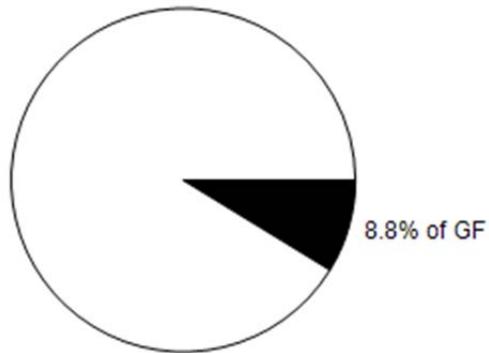
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<b>Funding Source</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>FY 2015-16 *</b>
General Fund	\$645,580,781	\$719,197,941	\$782,001,699	\$807,015,538
Cash Funds	340,677,547	358,243,248	347,236,592	345,960,572
Reappropriated Funds	485,925,073	497,587,819	144,373,402	139,475,327
Federal Funds	<u>615,983,428</u>	<u>612,167,352</u>	<u>627,661,954</u>	<u>625,274,913</u>
<b>Total Funds</b>	<b>\$2,088,166,829</b>	<b>\$2,187,196,360</b>	<b>\$1,901,273,647</b>	<b>\$1,917,726,350</b>
Full Time Equiv. Staff	4,872.8	4,879.0	4,906.1	5,038.9

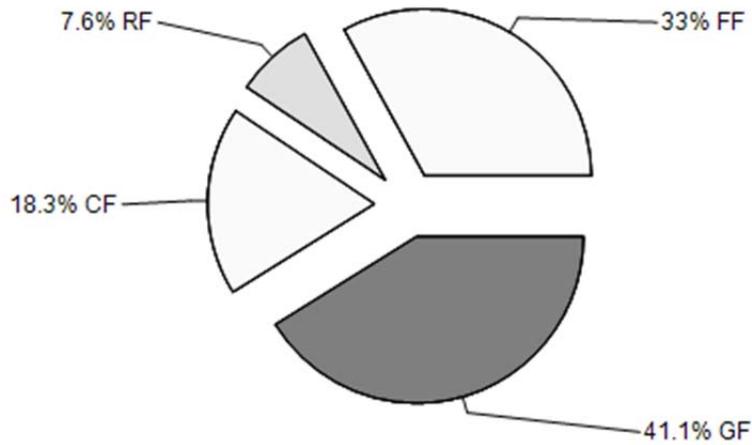
\*Requested appropriation.

## Department Budget: Graphic Overview

**Department's Share of Statewide General Fund**



**Department Funding Sources**

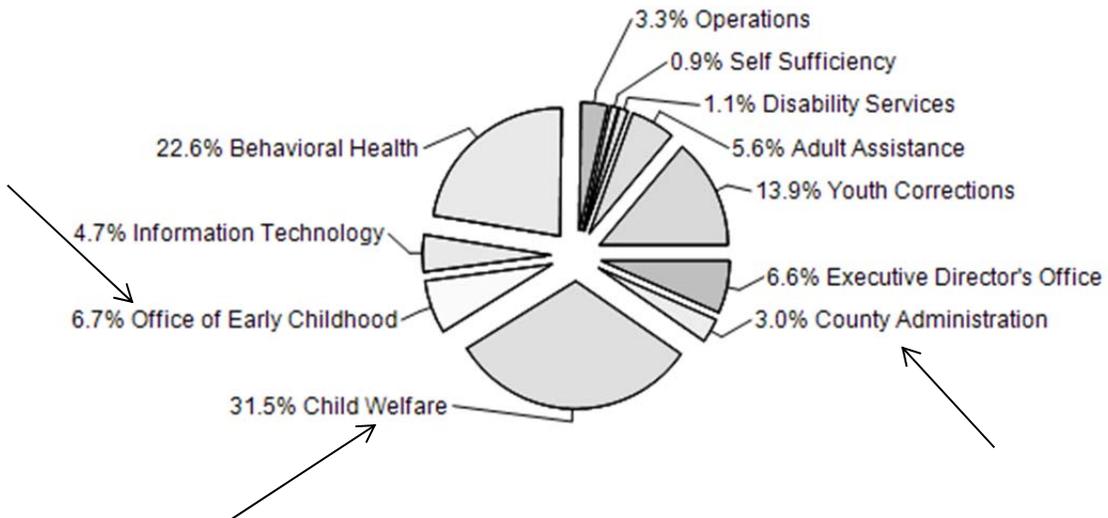


All charts are based on the FY 2014-15 appropriation.

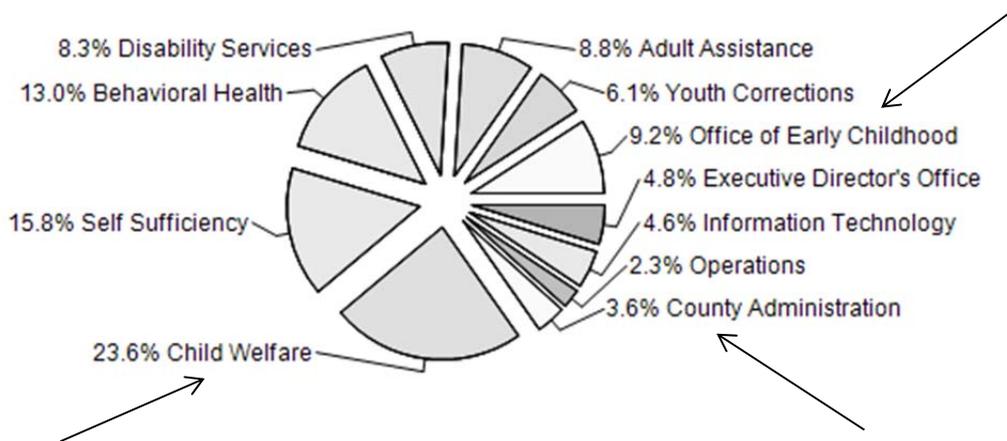
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**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



All charts are based on the FY 2014-15 appropriation.

## **General Factors Driving the Budget**

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### **Division of Child Welfare**

County departments of social/human services receive and respond to reports of potential child abuse or neglect under the supervision of the Department. The General Assembly appropriates funds for child welfare services to support county and state duties. Appropriations for child welfare programs for FY 2014-15 total \$448.1 million and consist of 55.0 percent General Fund, 22.2 percent federal funds, 19.5 percent county funds and various cash fund sources, and 3.4 percent reappropriated funds.

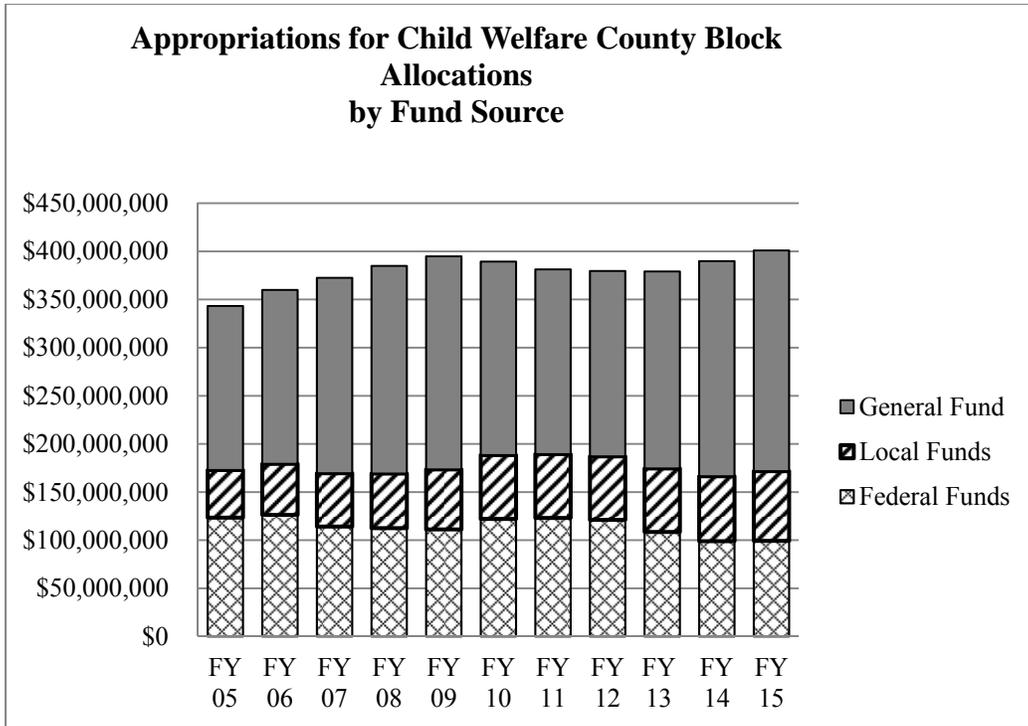
### ***Child Welfare Services***

The majority of funds appropriated for child welfare (nearly 90.0 percent) are made available to county departments as block allocations for the provision of child welfare services. Increases and decreases in appropriations for child welfare services are at the discretion of the General Assembly. However, in setting appropriation levels for these services, the General Assembly takes into consideration the funding required by counties to fulfill their statutory duties in serving abused and neglected children. The appropriations history indicates a peak in FY 2008-09 at \$221.2 million General Fund, followed by a decline through FY 2010-11 to \$191.9 General Fund. In FY 2011-12, appropriations began a steady rise again, resulting in a new high of \$229.2 million General Fund in FY 14-15. The chart below provides a breakdown of the county block allocations by fund source. The block allocation includes funding appropriated in the Child Welfare Services and Family and Children's Programs line items in the Division's budget. The chart reflects the Net General Fund impact of the appropriation.<sup>1</sup>

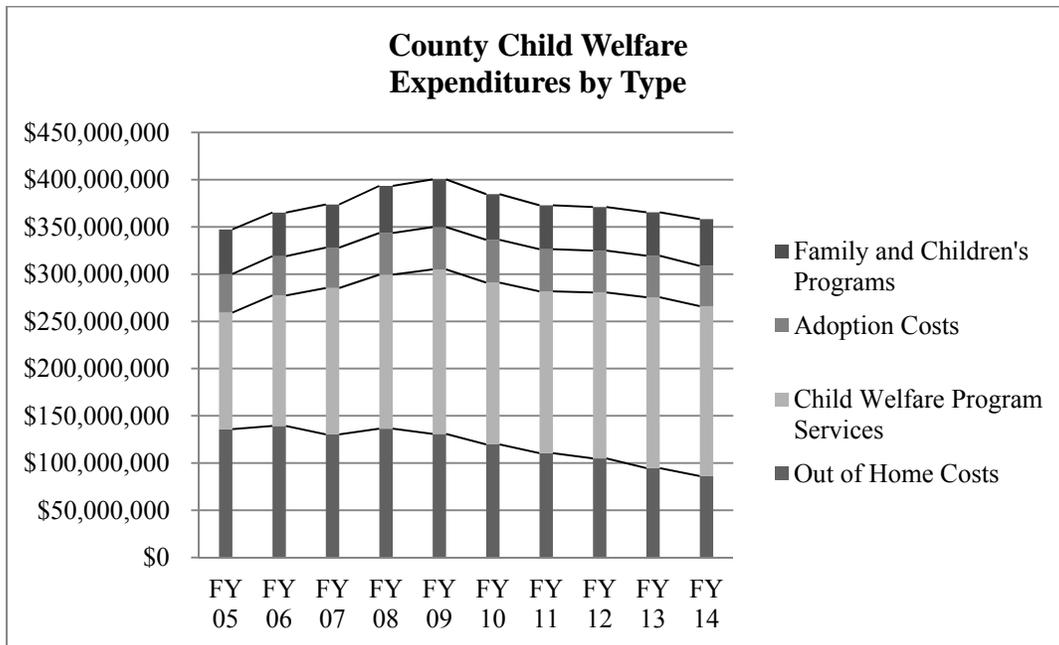
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<sup>1</sup> Net General Fund includes both the General Fund appropriation in the Department of Human Services (DHS) line items and the Medicaid General Fund appropriation for Child Welfare Services in the Department of Health Care Policy and Financing (HCPF). The total appropriation to HCPF (including both Medicaid General Fund and Medicaid federal funds) is transferred to the DHS and is reflected as reappropriated funds in the DHS budget.

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Counties are required to cover 20 percent of most child welfare costs. These funds are identified as local funds and are included in county child welfare allocations. If counties spend more than the capped allocations, they are responsible for covering any shortfall with other funds. Historically, total spending by counties exceeded state allocations by three to five percent per year. However, since FY 2008-09, counties have reduced spending more rapidly than the state has reduced child welfare allocations.



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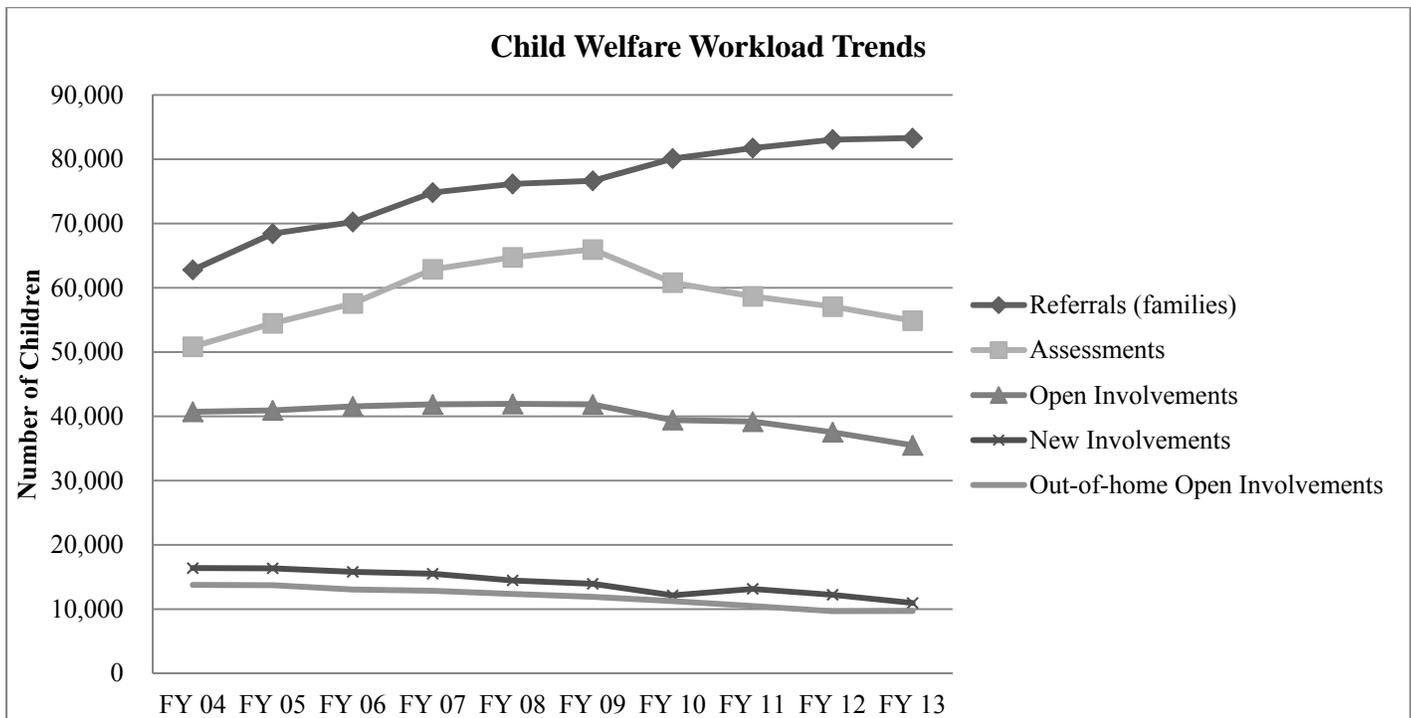
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At the county level, expenditures for child welfare services are driven by:

- The number of reports of abuse or neglect received;
- The number of reports that the county determines require further investigation (assessments);
- The number of children requiring child welfare services (open involvements);
- The number of children with open child welfare cases who receive residential services versus alternative services; and
- The costs of the various services provided.

Among these drivers, certain elements are largely beyond county control, such as the number of reports of abuse or neglect, the number of reports that require a child welfare case to be opened based on the severity of an incident and risk to a child, and judicial decisions regarding client placements. Other drivers are within county control, such as the types of services offered and the rates paid for services.

Referrals to child welfare have continued to increase, but the numbers of child welfare assessments, open child welfare cases, new child welfare involvements, and out-of-home placements have declined. The percentage of reports of abuse or neglect that result in county intervention through the child welfare system has declined – leading in part to lower county expenditures. With the implementation of the Hotline for Child Abuse and Neglect on January 1, 2015, the Department anticipates an increase in all workload measures identified above.



Over the last several years, counties have made significant changes in how they respond to allegations of abuse and neglect (e.g. the implementation in several counties of a differential response practice model) and the kinds of services they offer, based on funding constraints and

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on changes in what is considered to be best practice. The state has taken a variety of steps, ranging from providing funding for additional studies and research through the Child Welfare Action Committee to adding new Division of Child Welfare staff and expanded funding for preventative child abuse initiatives.

Colorado has been awarded a waiver from federal Title IV-E spending requirements for fiscal years 2013-14 through 2017-18. Title IV-E is an open-ended federal entitlement through which states are partially reimbursed for the room and board and administrative costs associated with foster care and adoption services. Colorado's Title IV-E revenue has been on an overall downward trend for a number of years due to the decline in out-of-home placement, as well as to an income standard that has not changed since 1996. Title IV-E does not provide reimbursement for services provided to keep a child in the family home. Prior to the award of the IV-E waiver, the Department projected that Title IV-E revenue would continue to fall at the rate of 5.0 to 10.0 percent per year due to anticipated ongoing reductions in the use of congregate care placements.

***Tony Gramscas Youth Services Program***

Pursuant to Section 26-6.8-102 (1) (b), C.R.S., the Tony Gramscas Youth Services (TGYS) Program was established to provide state funding for community-based programs that target youth and their families for intervention services in an effort to reduce incidents of youth crime and violence. It also promotes prevention and education programs that are designed to reduce the occurrence and reoccurrence of child abuse and neglect, and reduce the need for state intervention in child abuse and neglect prevention and education. Grant recipients and the award amounts are selected by the program board and, pursuant to H.B. 13-1117, the program is now administered by the Department of Human Services (CDHS).

Eligible organizations, including local governments, Colorado public or nonsectarian secondary schools, groups of public or nonsectarian secondary schools, school districts or groups thereof, boards of cooperative services, institutions of higher education, the Colorado National Guard, state agencies, state-operated programs, or private nonprofit community-based organization, can apply for funding for programs within six categories: general violence prevention, school dropout prevention, before and after school programs, mentoring programs, restorative justice, and Early Childhood programs. Changes to the program have been minimal during the past ten years. The restorative justice category was added in FY 2006-07, and before and after school programs became eligible in FY 2007-08. Perhaps the most substantial changes occurred in FY 13-14 when the requirement that 20.0 percent of the TGYS funding be allocated to Early Childhood programs was removed; the creation of a statewide youth development plan was mandated (H.B. 13-1239); and the administration of the program was moved from the Department of Public Health and Environment to the CDHS (H.B. 1117). Finally, S.B. 14-215 added community-based programs specifically related to the prevention and intervention of adolescent and youth marijuana use to the list of eligible programs. Section 26-6.8-102 (2) (d) (3), C.R.S. requires that such programs utilize evidence-based practices in the delivery of services.

The TGYS Program awards are paid from the Youth Services Program Fund (Fund), the principal of which consists of tobacco litigation settlement moneys, or out of the general fund. Through S.B. 14-215, an additional \$2.0 million was added to the Fund from the Marijuana Tax

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Cash Fund. From FY 2007-08 through FY 2013-14, via a total of 448 awards, the TGYS Program has awarded a total of \$26.0 million to 138 different organizations. During that period, 30 agencies received one-time funding; the remaining agencies received funding for multiple years. A breakdown of awards is provided in the table below.

<b>Tony Gramsas Youth Services Program Grant Awards</b>		
<b>Award Year</b>	<b>Total Award Value</b>	<b>Total Number</b>
FY 2007-08	\$3,346,033	58
FY 2008-09	\$4,671,897	93
FY 2009-10	\$3,656,517	94
FY 2010-11	\$3,329,359	88
FY 2011-12	\$3,156,470	29
FY 2012-13	\$3,176,470	30
FY 2013-14	\$4,665,829	56
	\$26,002,575	448

### **County Administration**

Colorado has a state-supervised and county-administered social services program, providing a large degree of autonomy to counties, even when compared with other states that have decentralized systems. As a result of this high degree of decentralization, most of the County Administration budget lines provide block transfers to the counties. If counties over-expend their allocations, they are responsible for covering the shortfall, although they are often able to access federal matching funds for county-only expenditures depending upon the program.

Over time, the responsibility for some programs has been moved out of County Administration section. Administration for child care services, child welfare services, Temporary Assistance to Needy Families, adult services, and the Old Age Pension are incorporated into line items in other sections of the Human Services budget. County administration of medical assistance programs was moved to the Department of Health Care Policy and Financing (HCPF) in FY 2006-07. County activities to determine medical assistance eligibility are essentially the same as the activities to determine eligibility for other social service programs: both involve Colorado Benefits Management System (CBMS), and eligibility-determination costs are allocated between programs and the two departments. County Administration includes funding for eligibility determination for the Supplemental Nutrition Assistance Program (food stamps) and funding to assist some poorer counties in maintaining program operations. Funding provided by the state for county administration is capped, and county costs and caseload only affect appropriations to the extent the General Assembly chooses to make related adjustments. Many counties supplement state appropriations with county tax revenues.

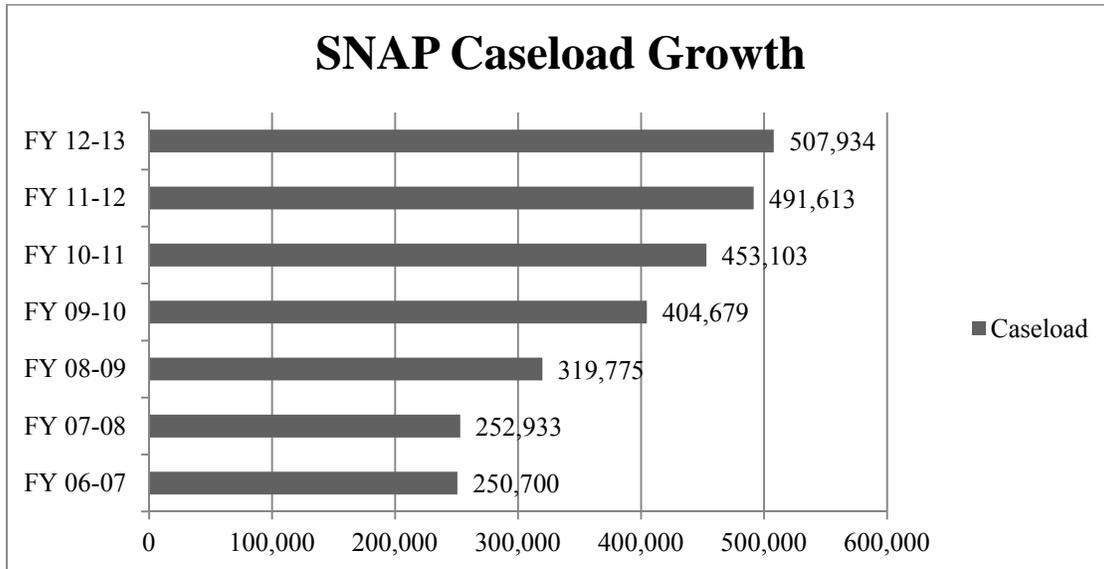
### **Food Assistance**

Funding for the County Administration allocation has been an area of concern for counties due to the rapid growth in food assistance caseload that has occurred since FY 2006-07. In the past seven years, caseload has increased over 100.0 percent, from a monthly average of 250,700

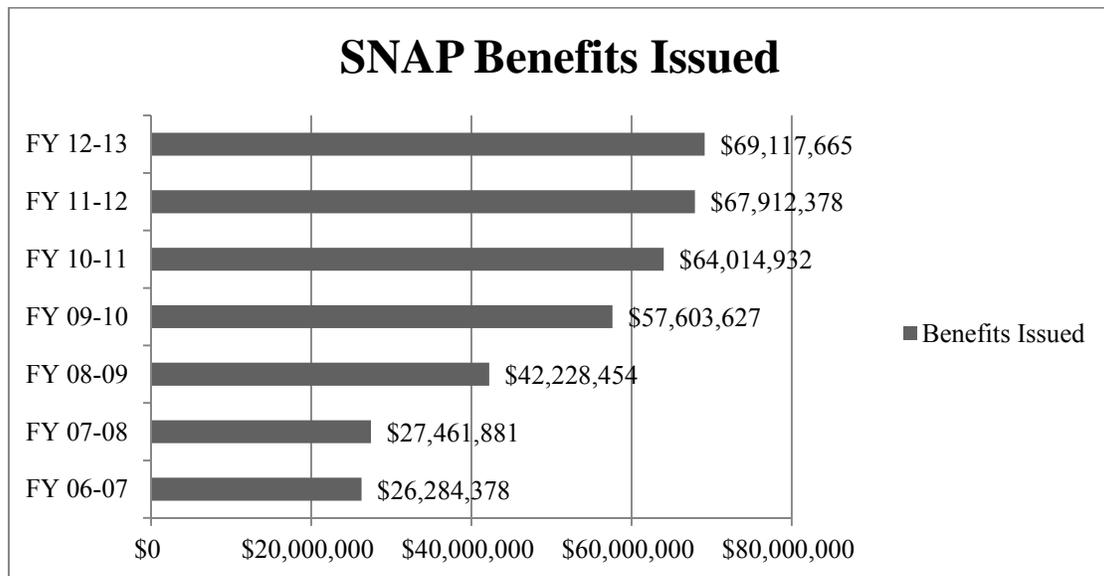
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individuals receiving benefits in FY 2006-07, to a monthly average of 507,934 individuals receiving benefits in FY 2013-14.

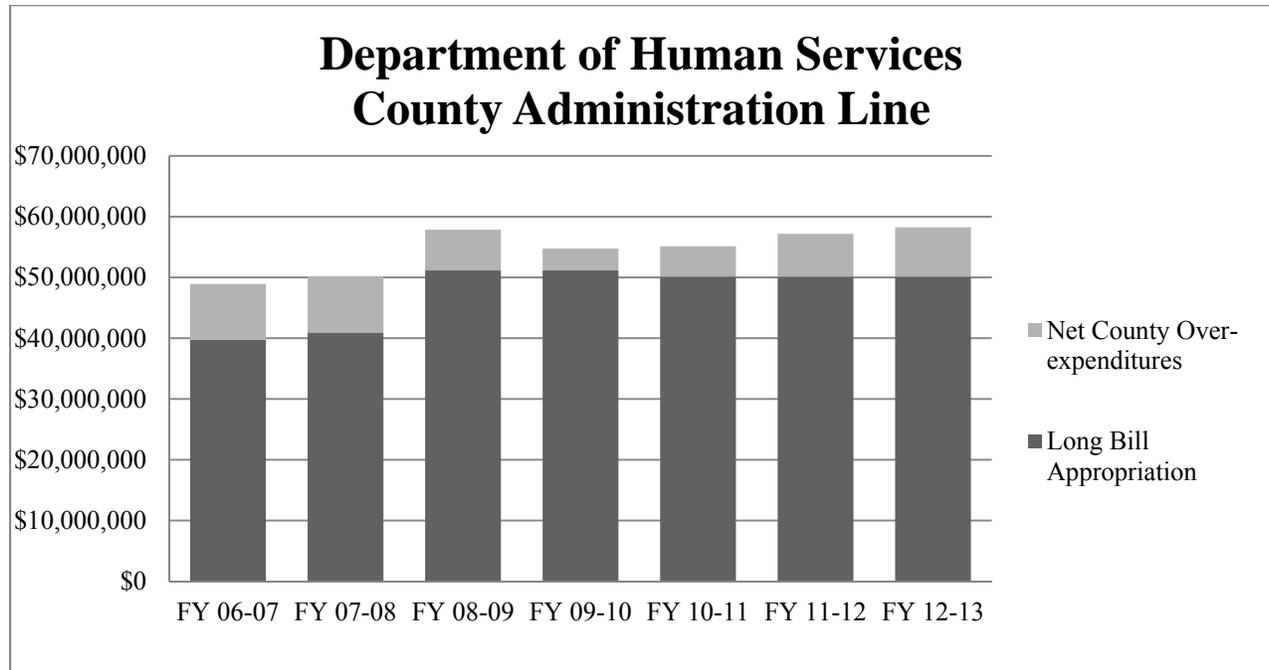


During that same period, total issued benefits to SNAP recipients have increased by 163.0 percent, from a monthly average of \$26.3 million to \$69.1 million.



The impact of the caseload growth on counties that administer these benefits results in a consistent over-expenditure of the annual allocation by the majority of Colorado’s counties. According to county representatives, in FY 2012-13, 47 counties, including all of the big 10 counties, over-expended the county administration allocation; and 8 of the 10 County Tax Base Relief counties overspent their initial allocation. After the county close-out process, counties contributed \$8.1 million in county-only funds to the administration of all programs included in

the Department of Human Services County Administration line item. Consistent with the increase in caseload, this contribution represents a 113.0 percent increase in county over-expenditures since FY 06-07.

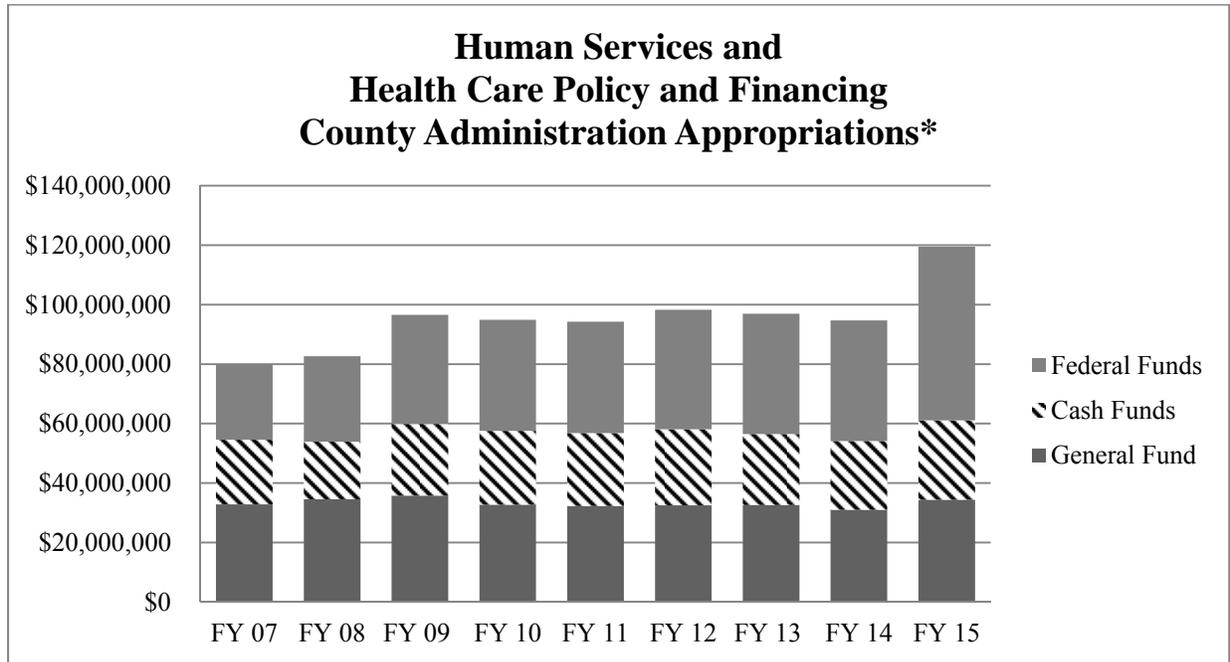


The majority of the County Administration funds support county staff who determine eligibility for the Medicaid program and the Supplemental Nutrition Assistance Program (SNAP). County close-out expenditures indicate that the SNAP administration comprised approximately 56.0 percent of the total County Administration appropriation in FY 2012-13, with food assistance expenditures totaling \$27.9 million. Funding increases have generally involved reallocating General Fund in order to access more federal matching funds. The increase in the FY 2008-09 appropriation was largely based on reducing County Contingency Payments (now County Tax Base Relief), which did not receive a federal match, and redirecting General Fund to the County Administration line items in Human Services and Health Care Policy and Financing, which do (H.B. 08-1250).

Funding for the Human Services county administration division and the Health Care Policy and Financing county administration line item have held flat since FY 2008-09 through FY 2013-14, despite large increases in public assistance caseloads. Smaller adjustments have occurred during that time, including an increase for food assistance administration in FY 2011-12. (The overall decrease in FY 2013-14 funding is due to the transfer of Adult Protective Services to another DHS division.) In FY 2014-15, the General Assembly approved an increase of \$2.9 million total funds, including \$0.9 million General Fund, for food assistance administration and another \$2.0 million in one-time total funds, including \$0.6 million General Fund, to mitigate the food assistance administration backlog. The summary of data below provides a breakdown of funding in County Administration appropriations. Because County Administration dollars primarily

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support eligibility determination by county staff using the CBMS, the chart combines appropriations for county administration from both the DHS and HCPF.



\*This chart reflects funding for the Department of Human Services County Administration section (\$68.4 million in FY 2014-15) and the Department of Health Care Policy and Financing County Administration and Hospital Provider Fee County Administration line items (\$51.1 million in FY 2014-15). The Hospital Provider Fee County Administration line item was added to the budget in FY 2012-13. It excludes county administration appropriations in other sections of the Department of Human Services.

**County Tax Base Relief**

County Tax Base Relief (CTBR) funding exists to assist counties with the highest costs and lowest property tax values in meeting the obligation of the local match required by the state for certain public assistance programs, including Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), Medicaid, Child Welfare Services, and Adult Assistance programs. Pursuant to Section 26-1-1261 (1.5), C.R.S., a formula based on three fixed mill levy thresholds (tiers) is used to calculate CTBR eligibility. A county may qualify for a distribution from one or more tiers.

Almost \$1.0 million was reverted from this line item in FY 2010-11, when the appropriation was \$2.7 million. This was because the FY 2010-11 calculation relied on property tax valuations from the period prior to the market down-turn and only Tier I counties were funded. There were no reversions in FY 2011-12 due to the reduction in property tax valuations during the down-turn as well as the reduced appropriation. For FY 2012-13 and FY 2013-14, the decline in valuations has been fully incorporated into the calculation.

The current county tax base relief formula was established through H.B. 08-1250, modifying a previously existing program called the County Contingency Fund that was established in 1973. This modification served to ensure that the program targeted the most needy counties and reduced the number of counties receiving funding from 41 in FY 2007-08 to 23 counties in FY 2008-09. Funding was halved in FY 2009-10 in response to an Executive Request and the JBC

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sponsored a bill to clarify that, through FY 2011-12, funding would be limited to tier 1 counties – those most in need. In FY 2011-12, the Executive Request proposed to eliminate this line item entirely. The Joint Budget Committee (JBC) recommended and the General Assembly approved retaining \$1.0 million in the line item and adopting a JBC bill (S.B. 11-228) which changed how funds for county tax base relief are distributed to qualified counties when appropriations are insufficient to fully fund a county tax base relief funding tier. In FY 12-13, the appropriation was increased to \$1.8 million to fully fund the estimated need for tier 1; in FY 2013-14, the appropriation was increased again to \$2.7 million to fund the estimated needs for tiers 1 and 2; and in FY 2014-15, the appropriation was increased to \$3.9 million to fully fund tiers 1, 2, and 3. Funding levels for the FY 2014-15 appropriation were based on the following county data:

	County Share for Final Distribution	Assessed Valuation Calendar 2011	Tier I	Tier II	Tier III	Total
Adams	\$11,257,785	\$4,622,808,830	\$0	0	\$503,042	\$503,042
Alamosa	842,133	150,635,429	292,670	37,659	18,829	349,158
Bent	247,482	74,468,657	18,057	18,617	9,309	45,983
Conejos	306,590	61,209,609	92,221	15,302	7,651	115,174
Crowley	160,122	36,623,420	37,689	9,156	4,578	51,423
Delta	719,335	320,253,880	0	0	19,707	19,707
Denver	22,198,591	10,805,819,670	0	0	146,738	146,738
El Paso	14,649,079	6,327,576,720	0	0	498,481	498,481
Fremont	1,404,654	452,866,150	34,542	113,217	56,608	204,367
Huerfano	310,876	114,497,939	0	12,315	14,312	26,627
Lincoln	264,542	107,622,624	0	0	12,324	12,324
Logan	761,417	271,131,910	0	41,794	33,892	75,686
Morgan	1,078,827	429,691,960	0	2,298	53,712	56,010
Otero	591,456	127,146,553	157,512	31,787	15,893	205,192
Phillips	131,332	60,309,630	0	0	2,678	2,678
Prowers	583,905	124,320,105	158,209	31,080	15,540	204,829
Pueblo	5,810,580	1,671,480,675	597,103	417,870	208,935	1,223,908
Rio Grande	536,908	176,215,157	6,197	44,054	22,027	72,278
Saguache	251,008	65,122,418	41,730	16,281	8,141	66,152
<b>Total</b>	<b>\$62,106,622</b>	<b>\$25,999,801,336</b>	<b>\$1,435,930</b>	<b>\$791,430</b>	<b>\$1,652,397</b>	<b>\$3,879,757</b>

Counties receive CTBR funds on a quarterly basis and available funds are allocated to counties in each tier until funds run out. The formula for calculating the allocation is based on a property tax mil levy associated with each tier: tier 1 = 3.0 mils; tier 2 = 2.5 mils; and tier 3 = 2.0 mils. Calculations are based on the most recent assessed valuation for property.

**Office of Early Childhood**

Pursuant to H.B. 13-1117, the Office of Early Childhood (OEC) was created in order to align child development programs that address early learning, child health, child mental health, and family support and parent education. This consolidation of programs and services is intended to

strengthen collaboration and coordination between the state-level early childhood system and local delivery systems. The bill transferred existing programs from other departments to the Department of Human Services, including: the Early Childhood Leadership Council from the Governor's Office; and the Nurse Home Visitor Program, Tony Grampas Youth Services Program, Colorado Student Dropout Prevention and Intervention Program, Colorado Before-and After School Project, Colorado Children's Trust Fund and its board, and the Family Resource Center Program from the Department of Public Health and Environment. The office is comprised of two divisions – the Division of Early Care and Learning and the Division of Community and Family Supports.

### **Division of Early Care and Learning**

The Division of Early Care and Learning is responsible for administering various early childhood grant programs and for licensing and monitoring child care facilities throughout the state, including child care homes and centers, preschool and school-age child care programs, homeless youth shelters, and summer camps, as well as 24-hour facilities (such as residential treatment facilities, residential child care facilities, and child placement agencies). In some counties, the Division contracts with local entities (*e.g.*, county departments of social services, county health departments, child placement agencies) to perform licensing functions for certain types of facilities. There are currently 5,790 licensed facilities in the state. Family child-care homes continue to decline in numbers, as has been the trend over the last several years.

The Division includes funding associated with the state supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP). Through this program, counties provide child care subsidies to low income families and families transitioning from the Colorado Works Program. In FY 2012-13, there were 2,056 licensed CCCAP facilities and an estimated 16,187 children per month received CCCAP assistance. Cash funds sources reflect county tax revenues and fees and fines paid by child care facilities. Federal fund sources consist primarily of Child Care Development Funds.

Unlike most sources of federal funds, the General Assembly has the authority to appropriate federal Child Care Development Funds (CCDF). The CCDF funds available to the state each year consist of three components: mandatory funds, matching funds, and discretionary funds. Mandatory funds are fixed, require no match and are awarded to the state based on the historic federal share of federal child care expenditures (Title IV-A programs) prior to federal welfare reform. Colorado's portion of these funds is approximately \$10.2 million per year. If a state also chooses to expend federal matching funds, the state must obligate its mandatory funds by the end of the federal fiscal year in which they are granted, with no limit on the liquidation period.

Matching funds are based on the state's relative share of children under age 13. The state is required to match expenditures from this source of funds based on its applicable federal medical assistance percentage rate (FMAP). Availability of funds is dependent upon the state meeting specific requirements, including obligating mandatory funds, meeting the federal child care maintenance of effort (MOE) requirements, and obligating the federal and state matching funds by the end of the fiscal year in which they are awarded. In order to meet the MOE requirements and be eligible for its share of the matching funds, the state must continue to spend at least the

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same amount on child care services that it spent on the Title IV-A child care programs in FFY 1994 or FFY 1995, whichever was great. Matching funds must be fully expended in two years. Colorado uses the local share of CCCAP expenditures to comply with federal child care MOE requirements and uses multiple sources of funds to comply with federal matching funds requirements. These include the General Fund portion of CCCAP expenditures and a portion of Colorado Preschool Program expenditures.

Allocations of discretionary funds to the state are based on the relative share of children under age five, the relative share of children receiving free and reduced price school lunches under the National School Lunch Act, and the state's per capita income. The state has two years to obligate these funds and no match is required to spend them. Since FFY 2001, Congress has required certain portions of discretionary funds be targeted to enhance the quality of care, including infant and toddler care as well as school-age care and resource and referral services. In addition, states must spend at least four percent of all of its expenditures for child care on quality activities. Examples of quality activities include:

- Practitioner training and technical assistance;
- Grants or loans to allow programs to purchase needed equipment, make minor renovations, develop new curricula, or pursue accreditation;
- Use of the federal funds to train or to lower caseloads for licensing staff; and
- Grant programs specifically aimed at improving wages for child care providers.

Colorado has had a voluntary system for quality rating for many years. The Department is now working to incorporate a rating system into the state child care licensing process. It will accelerate this process through a Race to the Top Early Learning Challenge Grant that was awarded to the State in December 2012. The Department's goal, as described in the Race to the Top grant proposal, is that all early learning programs would be quality rated by December 2015.

***Child Care Assistance Program***

The Colorado Child Care Assistance Program (CCCAP) is the largest single component of the Division's budget (79.6 percent). Child care subsidy programs, such as CCCAP, were promoted under 1996 federal welfare reform legislation to help families become financially independent. CCCAP was established through Senate Bill 97-120, and was expanded during the 2014 legislative session through H.B. 14-1317. This bill appropriated \$9.9 million total funds, including \$8.6 million General Fund to the Department for FY 2014-15, and:

- Requires the Department to set provider rates for each county every two years. Allows counties to opt out of the state-established rates and negotiate their own rates with child care providers. Counties setting their own rates must solicit feedback from various stakeholders, including early childhood councils, child care resource and referral agencies, and child care providers. By July 1, 2016, both state- and county-established rates must include a system of tiered reimbursement that provides higher reimbursement to facilities with higher quality ratings. Subject to available appropriations, DHS must contract for a study to compare private payment tuition rates for child care and CCCAP rates and determine if the CCCAP rates provide equal access as required under federal law.
- Limits the co-payment amount for CCCAP families with incomes below 100 percent of the federal poverty level (FPL) to no more than one percent of the family's gross monthly

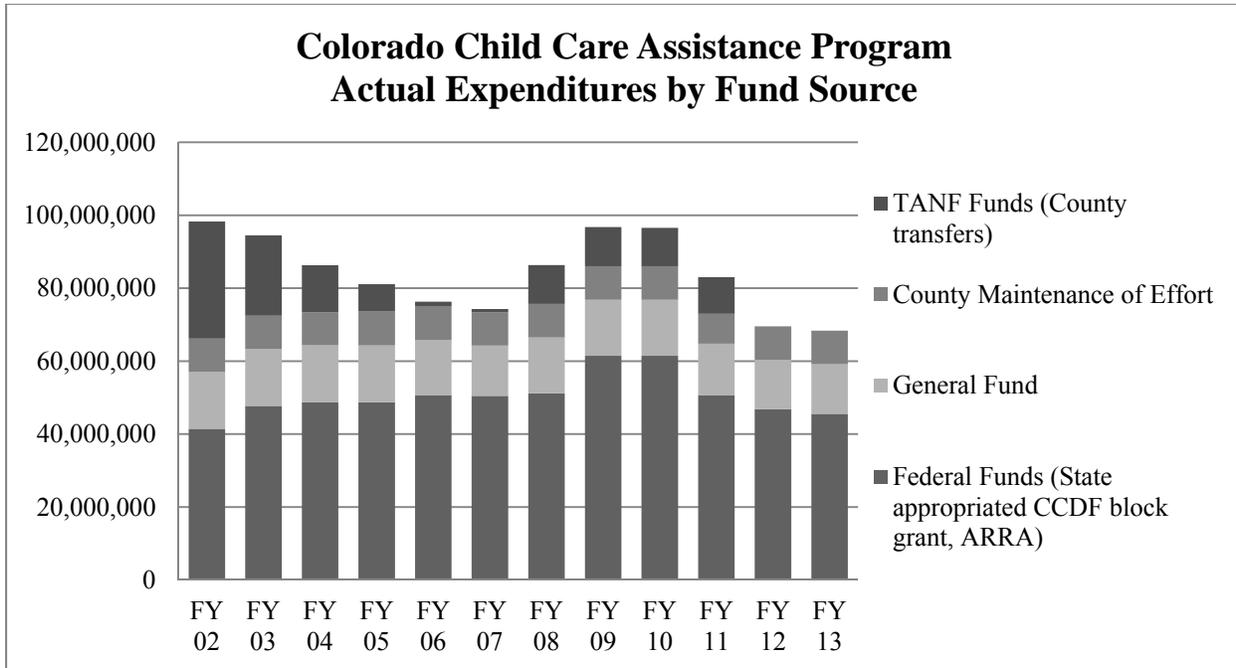
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income. Requires the Department to promulgate rules outlining the formula for determining parental co-payments. The co-payment formula must gradually increase the parent share as family income approaches self-sufficiency income levels. Beginning on July 1, 2016, the formula must include a tiered reduced copayment structure for children attending high quality care.

- Requires counties to reimburse providers for absences and holidays based on the quality rating of providers in the state's five-tier rating system.
- Requires counties to provide child care assistance to families with incomes up to 165 percent of the FPL. At their discretion, counties may serve any family so long as its income does not exceed the federal income limit of 85 percent of state median income.
- Expands the activities in which a parent may be participating in order to be eligible for CCCAP. A parent who is not employed but who is enrolled in a post-secondary education program or workforce training program is eligible for CCCAP for a period of up to two years. The bill also expands the period in which an unemployed parent is eligible while actively engaged in job search activities.
- Requires counties to directly enroll a family transitioning from the workforce program in CCCAP without requiring a separate application. If the county has a waiting list for CCCAP, they may choose to place the family on the waiting list or provide the CCCAP subsidy immediately. Families cannot be directly enrolled in CCCAP if they are leaving Colorado Works due to a program violation or no longer meet CCCAP eligibility criteria.
- Requires the Department to establish rules for the exit income eligibility level at which the county may deny benefits for that family. For counties that set their initial CCCAP income eligibility level at less than 185 percent of the FPL, the rules must require the county to set exit income eligibility level at a higher level than the initial eligibility level.
- Requires that child care be authorized based on maintaining continuity of care for children with the least disruption to the child and that the care schedule not be linked directly with a parent's employment, education, or workforce training schedule.
- Requires counties to maintain a current and accurate waiting list of parents who have inquired about receiving a CCCAP subsidy and are likely eligible for assistance based on self-reported income and eligibility criteria.
- Requires counties to request evidence on 30 days of income, but may, on a case-by-case basis, request up to 12 months if the 30 days of evidence does not accurately reflect family income.

Funding for CCCAP is allocated to counties, which are responsible for administering the program. In addition to appropriated amounts, counties may transfer a portion of their Temporary Assistance for Needy Families (TANF) block grant funding to support child care programs. Such transfers are not reflected in the appropriation, but are a driver of overall program expenditures. As the table below illustrates, county spending began to decline in FY 2010-11, as one-time federal funding exceeding \$10 million per year that was available in FY 2008-09 and FY 2009-10 under the American Recovery and Reinvestment Act (ARRA) was no longer available. Spending has continued to decline through FY 2012-13 as counties were under financial pressure to use their TANF funds on basic cash assistance and other recession-related Colorado Works program costs.



**Division of Community and Family Support**

The Division of Community and Family Support includes Early Childhood Councils, Early Intervention, Promoting Safe and Stable Families, the Children’s Trust Fund, Family Resource Centers, Nurse Home Visitor Program, and Early Childhood Mental Health Services. The Division works with many partners, including parents, schools, child care providers, early intervention services and programs, businesses, community organizations, and other stakeholders to provide high quality, early childhood programs and effective prevention strategies to mitigate challenges faced by families that affect school readiness and academic success.

**Early Intervention Services**

The majority of the Division’s budget (70.3 percent) is appropriated to Early Intervention (EI) Services (57.5 percent) and Early Intervention Services Case Management (12.8 percent). EI services are provided to infants and toddlers, up to age two, with one of the following three conditions:

- A developmental delay or disability diagnosis;
- A physical or mental condition that has a high probability of resulting in a significant delay in development; or
- A parent or caretaker who has a developmental disability.

Funding for EI Services for FY 2014-15 consists of 45.7 percent General Fund (\$20.4 million); 24.4 percent cash funds from local funds and the Early Intervention Services Trust Fund (\$10.9 million); 11.8 percent Medicaid reappropriated funds (\$5.3 million); and 18.0 percent federal funds (\$8.0 million). As a condition of receiving federal funds, the state is required to provide EI services to all eligible infants and toddlers whose parents seek these services. Colorado is expected to experience a steady population growth in this age group through 2020. Increases of

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\$3.1 million in FY 2013-14 were appropriated for Early Intervention Services to account for caseload growth; however no increase was requested by the Department for FY 2014-15.

***Early Childhood Councils***

Since FY 1997-98, the Department of Human Services has worked with the Department of Education to provide grant funds and technical assistance to local communities to design consolidated programs of comprehensive early childhood care and education services intended to serve children in low-income families. These pilot programs were allowed to blend various sources of state and federal funding and were allowed apply for waivers of state rules. The pilot programs were used to identify best practices relative to increasing quality, meeting the diverse needs of families seeking child care, and integrating early childhood care with educational programs. The law authorizing pilots was repealed and reenacted pursuant to H.B. 07-1062 to create the Early Childhood Councils program. Councils represent public and private stakeholders in a local community who work to develop and improve local early childhood services, and to create a seamless network of such services statewide.

House Bill 07-1062 also required a contracted evaluation of the early childhood council system. An evaluation was completed and submitted by the Center for Research Strategies on June 30, 2010. The evaluation concluded that "the Councils are making progress in their efforts to build the foundations of local Early Childhood systems by developing their internal capacity related to staffing, communication mechanisms, strategic planning, assessment and evaluation. They are also working to build public engagement and.... increase opportunities for new funding...." The evaluation identified various barriers to success and leverage points for change including improving marketing efforts, strengthening partnerships with key stakeholders, improving use of evaluation tools, and strengthening Council's internal capacity.

Funding for the pilot program was reflected in its own line item starting in FY 2000-01 (the Pilot Program for Community Consolidated Child Care Services) until being renamed the Early Childhood Councils line item after the enactment of H.B. 07-1062. House Bill 07-1062 also transferred \$2.0 million (\$1.0 million General Fund) from the Child Care Assistance Program line item to expand this program starting in FY 2007-08. The appropriation for the line item was cut by \$500,000 through FY 2010-11 supplemental action and an additional \$500,000 through FY 2011-12 figure setting action. In total, the line-item has been cut by one-third from the FY 2009-10 level.

The Early Childhood Leadership Council was scheduled to be repealed on July 1, 2013. House Bill 13-1117 extended the Early Childhood Leadership Council sunset date to September 1, 2018, and reduced the membership of the council from 35 to 20 members. The duties of the council have shifted to include advising and monitoring of early childhood programs, rather than developing legislative recommendations and improving data collection and sharing, as was specified under previous law.

***Nurse Home Visitor Program***

The Nurse Home Visitor Program was established to provide regular, in-home, visiting nurse services to low-income, first-time mother on the importance of nutrition and avoiding alcohol and drugs, including nicotine. Nurses also assist and educate mothers in providing general care

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for their children and in improving child health outcomes. Visiting nurses may also help mothers in locating assistance with educational achievement and employment. This program is available to mothers who consent to receiving these services.

The program is administered within communities through local entities and is implemented as a partnership between the Department and a health sciences facility at the University of Colorado. The Department is responsible for financial administration of the program; and the university is responsible for programmatic and clinical support, evaluation, and monitoring of the program. The program protocols and requirements are based on research-based model programs that have been implemented in one or more other states for at least five years and have shown significant reductions in the number of: infant behavioral impairments due to parental use of alcohol and drugs; reported incidents of child abuse and neglect; the number of subsequent pregnancies; the receipt of public assistance; and engagement in criminal activities in families receiving services through the program. This program is funded through moneys received from the tobacco master settlement agreement; and local entities are awarded grants for the administration of the program.

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**Summary: FY 2014-15 Appropriation & FY 2015-16 Request**

<b>Department of Human Services</b>						
	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2014-15 Appropriation</b>						
HB 14-1336 (Long Bill)	\$677,387,913	\$315,682,467	\$137,664,367	\$20,349,820	\$203,691,259	156.5
Other legislation	<u>13,172,440</u>	<u>7,042,854</u>	<u>4,929,586</u>	<u>1,200,000</u>	<u>0</u>	<u>2.1</u>
<b>TOTAL</b>	<b>\$690,560,353</b>	<b>\$322,725,321</b>	<b>\$142,593,953</b>	<b>\$21,549,820</b>	<b>\$203,691,259</b>	<b>158.6</b>
<b>FY 2015-16 Requested Appropriation</b>						
FY 2014-15 Appropriation	\$690,560,353	\$322,725,321	\$142,593,953	\$21,549,820	\$203,691,259	158.6
R2 Early intervention caseload	2,453,204	1,098,960	680,961	292,746	380,537	0.0
R5 Collaborative management program	2,115,007	2,115,007	0	0	0	1.8
R6 Child welfare case management	156,857	130,191	0	0	26,666	2.7
R8 Child welfare workload study	8,215,538	6,568,406	1,551,685	0	95,447	0.9
R9 Child care micro loans	338,200	338,200	0	0	0	0.0
R10 Child care micro grants	250,000	250,000	0	0	0	0.0
R17 Provider rate spending authority	228,794	0	0	0	228,794	0.0
R20 Community provider rate	5,671,032	2,720,102	957,819	198,583	1,794,528	0.0
R21 Youth prevention and intervention services	1,651,107	1,651,107	0	0	0	0.0
Centrally appropriated line items	313,987	152,316	17,222	3,500	140,949	0.0
Annualize prior year legislation	(839,779)	(739,779)	(100,000)	0	0	0.0
Annualize prior year budget actions	<u>(2,887,603)</u>	<u>(1,364,693)</u>	<u>(400,000)</u>	<u>0</u>	<u>(1,122,910)</u>	<u>0.4</u>
<b>TOTAL</b>	<b>\$708,226,697</b>	<b>\$335,645,138</b>	<b>\$145,301,640</b>	<b>\$22,044,649</b>	<b>\$205,235,270</b>	<b>164.4</b>
<b>Increase/(Decrease)</b>	\$17,666,344	\$12,919,817	\$2,707,687	\$494,829	\$1,544,011	5.8
Percentage Change	2.6%	4.0%	1.9%	2.3%	0.8%	3.7%

**Description of Requested Changes**

**R2 – Early intervention caseload:** This request is for \$2.5 million total funds, including \$1.1 million General Fund for Early Intervention direct services and case management.

**R5 – Collaborative management program:** This request is for \$2.1 million General Fund and 1.8 FTE to augment existing cash fund resources to provide services to children, youth and families through the Collaborative Management Program

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**R6 – Child welfare case management:** This request is for \$156,857 total funds, including \$130,191 General Fund, and 2.7 FTE to oversee a dedicated Trails team to modernize the Child Welfare Case Management System (Trails).

**R8 – Child welfare workload study:** This request is for \$8.2 million total funds, including \$6.5 million General Fund, and 0.9 FTE to increase county staffing in response to the Child Welfare Workload Study performed by the Office of the State Auditor.

**R9 – Child care micro loans:** This request is for \$338,200 General Fund to fund approximately 40 micro loans to increase the availability of safe, high quality licensed child care in communities without sufficient capacity.

**R10 – Child care micro grants:** This request is for \$250,000 General Fund to fund micro grants family, friend, and neighbor (FFN) child care providers to cover start-up funding for rural FFN providers and to increase access to quality child care.

**R17 – Provider rate spending authority:** This request is for \$228,794 federal funds from the Child Care Development Fund Block Grant allocation to reimburse contracted child care licensing inspectors for actual costs.

**R20 – Community provider rate:** This request is for \$5.7 million total funds, including \$2.7 million General Fund, for a 1.0 percent rate increase for contracted community provider services.

**R21 – Youth prevention and intervention services:** This request is for \$1.7 million General Fund to fund a pilot program that targets at-risk youth through the implementation of Functional Family Therapy and Multi-Systemic Therapy.

**Centrally appropriated line items:** The request includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; merit pay; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; vehicle lease payments; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; Capitol complex leased space; and payments to OIT.

**Annualize prior year legislation:** The request includes adjustments related to prior year legislation including: H.B. 14-1317, Colorado Child Care Assistance Program Changes; and H.B. 14-1298, Financing of Public Schools.

**Annualize prior year budget actions:** The request includes a number of changes to annualize funding decisions made through the prior year Long Bill including:

- Hotline for child abuse and neglect,
- Child welfare public awareness campaign,
- Child care licensing staff, and
- Food assistance backlog.

## **Issue: Early Intervention Services**

The Early Intervention Program is administered by the Division of Community and Family Support in the Office of Early Childhood. It provides early intervention (EI) services to infants and toddlers ages zero through two years of age who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability.

### **SUMMARY OF ISSUE**

- Federal regulations require the state to adopt a policy to make appropriate early intervention (EI) services available to all eligible infants and toddlers and their families. The Department of Human services contracts with 20 Community-Centered Boards (CCBs) to provide community-based early intervention services.
- The Department is designated as Colorado’s lead agency under Part C of the Federal Individuals with Disabilities Education Act (IDEA).
- EI caseload growth is anticipated to be 5.3 percent per year in the next two years. The Department is requesting an increase of \$2.5 million total funds, including \$1.2 million General Fund, for early intervention direct services and service coordination to address the increased caseload.
- The Department is implementing procedures to require a denial from Medicaid or private insurance before General Fund or federal Part C funds are used to pay for services that are benefits under those funding sources.
- The Department’s request indicates that an increase of approximately \$300,000 in Medicaid federal funds can be expected.
- The amount of Part C funds the state anticipates receiving in FY 2014-15 is \$8.0 million.
- Staff believes that the implementation of procedures to require a Medicaid denial will negatively impact service delivery timelines in CCBs, increase the funding shortfall that CCBs will have to mitigate through other funding sources, and result in a waitlist for services.
- Colorado is eligible for Part C funding if there is no waitlist and services are delivered within the established timeline.

### **STAFF RECOMMENDATION**

Staff recommends that the Committee consider sponsoring legislation that requires the Department to pass on General Fund for appropriately billed and eligible services and service coordination to CCBs without restriction.

## **DISCUSSION**

### **Background Information**

The Early Intervention Program is administered by the Division of Community and Family Support in the Office of Early Childhood. It provides early intervention (EI) services to infants and toddlers ages zero through two years of age who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability. The Department of Human Services is designated as Colorado's lead agency under Part C of the Federal Individuals with Disabilities Education Act (IDEA) and reports that intervention services are provided to eligible children and their families to enhance child development in 15 allowable areas of service and service coordination that include cognition, speech, communication, physical development, motor development, vision, hearing, social and emotional development, and self-help skills. These community-based services are delivered statewide by 20 Community Centered Boards (CCBs), with whom the Department contracts.

Community Centered Boards are private corporations that can be either for-profit or not-for-profit entities. Pursuant to Section 25.5-10-202 (4), when acting as a service agency, the CCBs provide case management services to persons with intellectual and developmental disabilities; and are authorized to determine eligibility of those persons within a specified geographical area, serve as a single point of entry for persons to receive services and supports, and provide authorized services and supports either directly or by purchasing services and supports from service agencies. In cases of children, birth through two years of age, multi-disciplinary evaluations are performed by Child Find teams under the supervision of the Department of Education, and those meeting the evaluation threshold are referred to the appropriate CCB. Each CCB serves a specific geographic region covering from one to ten counties and is responsible for: intake; eligibility determination; providing service coordination; service plan development; and arrangement, delivery, and monitoring of services.

The Department reports that in the past five years, the number of children identified with developmental delays and disabilities has increased from 2.4 to 3.0 percent of Colorado's 0-2 year old population. There is a corresponding increase in the number of children eligible for early intervention services. The Department reports a 2.0 percent increase in eligible children in FY 2012-13; and a 5.3 percent increase in FY 2013-14. Federal regulations under 34 C.F.R., Section 303.101 (a) (1) require the state to adopt a policy to makes appropriate EI services and service coordination available to all eligible infants and toddlers and their families. It also requires that the multidisciplinary evaluation to determine eligibility must be completed within 45 days of the referral; and that services must be provided in a timely manner, defined in Colorado as 28 calendar days. In order for the state to maintain Part C funding, there cannot be a waitlist for eligible children and families. In FY 2012-13, the Department reported a 98.9 percent achievement in this performance area; however that value dropped to 95.0 percent in the first 11 months of FY 2013-14. The Department reports that this performance decrease is as a result of capacity issues faced by CCBs and the school district Child Find teams.

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Pursuant to Section, 27-10.5-706 (c), C.R.S., in cooperation with the Departments of Education, Health Care Policy and Financing, and Regulatory Agencies; private health insurance carriers; and certified early intervention service brokers (CCBs), the Department is required to develop a coordinated system of payment of early intervention services using public and private moneys. The Department has developed a funding hierarchy that is to be used by the CCBs during the individualized family service plan (IFSP) development process to identify possible funding sources that may be available to each child. According to the Department, the funding hierarchy is arranged in the order in which funding sources are accessed for service payment and is designed to ensure that available funding sources for EI services are accessed and utilized in an efficient manner. If a funding source is not available, the next source on the list is considered until an appropriate funding source is located. The fund hierarchy includes:

- Private pay (voluntary, at the discretion of the parent)
- Private health insurance plan (with written consent of the parent)
- TRICARE (a military health system)
- Medicaid (Title XIX), Home and Community Based Services (HCBS) Medicaid Waivers, and Child Health Plan Plus (CHP+)
- Child welfare and Temporary Assistance to Need Families (TANF)
- Other local, state, or federal funds, including mill levy funds (as may be available)
- State General Fund
- Part C of the Federal Individuals with Disabilities Education Act (IDEA)

One piece of the funding hierarchy is the Early Intervention Services Trust (EIST) Fund. The EIST is established pursuant to Section 27-10.5-709 (2) (a), and consists of moneys paid by an eligible child's private health insurance carrier to cover direct service costs associated with coordinated early intervention services. Within 90 days of determining that the child is no longer eligible for services, any moneys deposited in the trust fund on behalf of that child and not expended shall be returned to the carrier.

The Department is currently working with the Department of Health Care Policy and Financing to increase Medicaid utilization as a funding source for EI services by implementing procedures to require a denial from Medicaid or private insurance before General Fund or federal Part C funds are used to pay for Medicaid or private insurance eligible services. The Department reports that the average utilization rate has increase from 40.0 percent in FY 2012-13 to approximately 45.0 percent in FY 2013-14 for direct services; and from 50.0 percent in FY 2012-13 to 79.0 percent in FY 2013-14 for service coordination. The Department and CCBs report that not all services are Medicaid billable; and some service providers choose not to participate in Medicaid. The Department reports that the number of children projected to be covered by Medicaid is based on a data match between the Medicaid Management Information System (MMIS) database and the DDDWeb, the statewide web-based data system that collects all case management, billing and reporting information for children referred and enrolled in EI services. CCBs are expected to utilize Medicaid Targeted Case Management for 95.0 percent of the eligible and enrolled Medicaid children. For direct services, CCBs are expected to utilize Medicaid for 55.0 percent of the same children.

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According to the Department, a CCB's total projected caseload for the upcoming year is calculated by multiplying the percent change over the previous three years by the actual average monthly enrollment for the current fiscal year or the average enrollment for the previous three years, whichever is greater. The number of children to be served through the EIST is based on the actual average monthly reenrollment number of children with a trust fund program recorded in the DDDWeb for the previous fiscal years. CCBs must serve 100.0 percent of the children who are on the trust.

In FY 2013-14, the unduplicated number of eligible children that were served by all CCBs is recorded at 12,703. Given the high turnover rate in the program, this number may not provide an adequate representation of CCB workload. This workload is driven by the volume of referrals, intake, eligibility determinations and the development of the initial individualized IFSP. This number does reflect the number of children who were determined eligible for EI services, had an active IFSP at some point during the year, and who received one or more EI services during the fiscal year. A more accurate representation of the CCBs' workload is the total unduplicated average count of children served each month. For FY 2013-14, this count was 6,885. At an average cost of \$6,737 per child, the total cost including all funding sources for EI direct services and service coordination was \$46.4 million in FY 2013-14. It is important to note that the actual average cost per child may differ from the value indicated above as the Medicaid direct service funds may include payments for other services provided in addition to those that are identified as EI services. The Department reports that billing codes in the data system within the Medicaid Management Information System were not able to distinguish between the direct services provided through an EI program and those that may have been provided in a clinic or hospital setting. As of July 1, 2014, a new EI billing code modifier has been added to provide more accurate reporting of the EI services covered by Medicaid. EI expenditures for the past two fiscal years are provided in the following table:

<b>Early Intervention Expenditures</b>		
<b>Fund Source</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>
State General Fund	\$17.0 million	\$19.8 million
Federal Part C	7.4 million	7.4 million
Medicaid	9.5 million	8.3 million
Early Intervention Trust Fund	3.3 million	3.7 million
Other Funding	2.1 million	7.2 million

**Analysis**

The Department is requesting an increase of \$2.5 million total funds, including \$1.2 million General Fund for FY 2015-16 for early intervention direct services and service coordination. Though population growth for the birth through 2 year old age group has been projected to rise consistently through 2020, the Department did not request a funding increase for FY 2014-15 because it was anticipated that: 1) the caseload growth would stay relatively stable, 2) there would be sufficient Part C funds carried forward from prior fiscal years, and 3) CCBs would significantly increase the use of Medicaid and private insurance so that other funds would be available to fully fund the estimated caseload growth.

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Caseload Growth. Based on caseload data provided by the Department indicating a 2.0 percent increase in caseload in FY 2012-13, it appears that the Department expected the same 2.0 percent caseload growth in FY 2013-14. However data for that fiscal year indicates a 5.3 percent growth in EI caseload. Using this as the projected caseload growth for FY 2014-15, the Department estimates a shortfall for the current fiscal year of 1.3 million total funds (\$0.6 million General Fund) for direct services and nearly \$400,000 total funds (nearly \$257,000 Net General Fund) for service coordination.

The Department has not addressed this shortfall in its budget request, therefore this shortfall will be left to the CCBs to mitigate. Though not all CCBs were polled, five of the 20 CCBs have reported to staff that they anticipate a shortfall during the current fiscal year. Three of those have projected shortfalls of \$350,000, \$600,000 and \$1.0 million. Options for mitigating the shortfall include provider rate cuts, spending into deficit, and initiating a waitlist.

In addition to caseload growth challenges, CCBs have received an amended FY 2014-15 contract from the Department, reportedly as a result of additional funding available for allocation. According to tables provided to the CCBs by the Department, the initial allocation for State General Fund and Part C funds totaled \$26.2 million. The revised contracts reduced the amount of the allocations to 11 of the CCBs, and increased the allocation to the remaining 9. The total allocation was reduced by \$10,000 overall. It is unclear to staff and the CCBs how the Department arrived at the allocation values for the new contracts. A breakdown of the changes in the contracted allocations to the CCBs are provided in the following table:

<b>State General Fund and Part C Allocations FY 2014-15</b>			
<b>CCB</b>	<b>Revised Contract Allocations</b>	<b>Original Contract Allocations</b>	<b>Allocation Change</b>
Blue Peaks Developmental Services	\$180,926	\$169,060	\$11,866
Colorado Bluesky Enterprises	528,893	518,983	\$9,910
Community Connections Inc.	261,756	302,550	(\$40,794)
Community Options Inc.	345,298	339,022	\$6,276
Developmental Disabilities Center/Imagine!	1,865,467	1,855,586	\$9,881
Developmental Disabilities Resource Center	2,022,363	1,959,514	\$62,849
Developmental Opportunities/Starpoint	224,838	236,914	(\$12,076)
Developmental Pathways	7,002,782	6,800,703	\$202,079
Eastern Colorado Services	450,031	455,438	(\$5,407)
Envision	1,348,442	1,338,024	\$10,418
Foothills Gateway	1,518,083	1,531,460	(\$13,377)
Horizons Specialized Services	172,789	171,595	\$1,194
Inspiration Field	67,768	68,956	(\$1,188)
Mountain Valley Developmental Services	532,936	550,855	(\$17,919)
North Metro Community Services	2,390,955	2,615,593	(\$224,638)
Rocky Mountain Human Services	3,455,430	3,541,377	(\$85,947)

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Southeastern Developmental Services	105,244	109,476	(\$4,232)
Southern Colorado Developmental Disabilities Services	56,905	70,469	(\$13,564)
Strive	412,817	445,807	(\$32,990)
The Resource Exchange	3,258,655	3,131,165	\$127,490
Total Allocation	\$26,202,378	\$26,212,547	(\$10,169)

Part C Funds. Though the Department anticipated a carryover in Part C funds to help mitigate the caseload growth, it reported to the CCBs that carry-over funds are not available as of the start of FY 2014-15. The Department has not provided information as to why this is the case. The Long Bill reflects the amount of funds anticipated to be received pursuant to Part C of the federal Individuals with Disabilities Education Improvement Act as \$8.0 million. In order to be eligible to receive these funds, there cannot be a waitlist for EI services.

Increase in the use of Medicaid. The Department’s FY 2015-16 budget request states that it is implementing procedures to require a denial from Medicaid or private insurance before General Fund or federal Part C funds are used to pay for services that are billable under those funding sources. According to the budget request, the increase in federal Medicaid funds to the state in FY 2015-16 is calculated at approximately \$275,000. The Department does not believe that requiring a Medicaid denial will impact the capacity of the CCBs as a CCB can change the payment source in the database and follow the billing process for the next available funding source. Federal Part C regulation 34 C.F.R. 303.510 (b) allows the use of federal funds as an interim payment source to prevent delay of providing services to a child, pending reimbursement from the agency or entity that has the fiscal responsibility for payment. The Department’s position is based on the assumption that all in-house staff and contracted providers bill Medicaid.

What the Department has failed to consider is the impact such a policy will have on CCBs providing services in rural regions of the state. Of the 20 CCBs, the majority serve either strictly rural regions or regions that are a mix of rural and urban communities. According to the Department, nine CCB regions have one or fewer Medicaid physical therapy and occupational therapy providers; only eight of the regions have one or fewer Medicaid speech language pathologist Medicaid providers; and 3 of the 20 CCB regions have two Medicaid physical therapy, occupational therapy, and speech language pathology providers. Please see the table below for a breakdown by region.

<b>Total Number of [Medicaid] Physical Therapists (PT), Occupational Therapists (OT) and Speech Language Pathologists (SLP) by CCB Service Area 11/18/2014</b>				
<b>CCB</b>	<b>Counties served</b>	<b>Total PT</b>	<b>Total OT</b>	<b>Total SLP</b>
Blue Peaks Developmental Services	Alamosa; Conejos; Costilla; Mineral; Rio Grande; Saguache	0	0	0
Colorado Bluesky Enterprises	Pueblo	0	1	0
Community Connections Inc.	Archuleta; Dolores; La Plata; Montezuma; San Juan	0	0	1
Community Options Inc.	Delta; Gunnison; Hinsdale; Montrose; Ouray; San Miguel	3	0	1
Developmental Disabilities Center/Imagine!	Boulder; Broomfield	19	11	43

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Developmental Disabilities Resource Center	Clear Creek; Gilpin; Jefferson; Summit	14	10	26
Developmental Opportunities/Starpoint	Canon City	0	0	2
Developmental Pathways	Arapahoe; Douglas	23	32	61
Eastern Colorado Services	Cheyenne; Elbert; Kit Carson; Lincoln; Logan; Morgan; Phillips; Sedgwick; Washington; Yuma	2	1	1
Envision	Weld	9	9	31
Foothills Gateway	Larimer	15	10	18
Horizons Specialized Services	Grand; Jackson; Moffat; Rio Blanco; Routt	1	2	2
Inspiration Field	Bent; Crowley; Otero	0	0	0
Mountain Valley Developmental Services	Eagle; Garfield; Lake; Pitkin	1	2	3
North Metro Community Services	Adams	22	18	37
Rocky Mountain Human Services	Denver	37	54	89
Southeastern Developmental Services	Baca; Bent; Kiowa; Prowers	0	0	0
Southern Colorado Developmental Disabilities Services	Huerfano; Las Animas	2	2	1
Strive	Mesa	0	1	2
The Resource Exchange	El Paso; Park; Teller	2	6	7

Information provided by the CCBs however, magnify the challenges they face if a Medicaid denial is required. For example, Eastern Colorado Services reports that the majority of the ten counties it serves are covered by five critical access hospitals that are not required to maintain rehabilitative personnel. Medicaid providers are centralized in two hospitals in this CCB region, including Sterling Regional Medical Center and Colorado Plains Medical Center. Neither of these hospitals will serve children in natural environments without door to door reimbursement for travel time and mileage at \$75 per hour. Given the distance providers may need to travel to serve clients in a rural region, it can be more cost-effective to utilize a non-Medicaid provider that lives near the family as opposed to mandate the use of a Medicaid provider that must travel up to 100 miles each way. Currently, private, independent Medicaid contractors are rarely available and tend to be unwilling to become Medicaid providers because of the additional time required to do so. This CCB reports that for the month of October 2014, more than 50 percent of its Medicaid eligible children had no access to a Medicaid provider, in which case a Medicaid denial would not be possible. Under this new policy, without the denial neither State General Fund nor Part C fund could be accessed to cover the costs of services, resulting in increased costs to the CCB.

CCBs also expressed concern about the additional administrative processes associated with ensuring that there is Medicaid denial. Coupled with provider shortages, there is concern that this expectation will prevent the CCBs from meeting the 28 day service delivery requirement. According to the Developmental Disabilities Resource Center, a child who has Medicaid is required to undergo two evaluations rather than one – one with Child Find and one after the provider has been assigned. Medicaid requires goals based on the second evaluation that are not typically the outcomes derived from the IFSP process and are not family driven as prescribed in the EI model. In addition, two CCBs reported not receiving partial credit from the Department for Medicaid utilization for eligible children whose plans include services that are not Medicaid billable. CCBs are not clear about how the Department calculated the utilization rate for

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Medicaid, and are concerned that the number is inflated. The Department's request is based on the assumption that the average Medicaid utilization for direct services will increase from 45.0 to 50.0 percent and for targeted case management from 79.0 to 80.0 percent in FY 2014-15 and FY 2015-16. However, it reported in FY 2013-14, on average 53.0% of the children enrolled in EI services each month were not Medicaid eligible.

Based on the above information, staff believes that implementing procedures to require a denial from Medicaid before General Fund or federal Part C funds can be used to pay for eligible services will result in: 1) delayed service delivery by CCBs, putting them at risk of failing to meet the 28 day expectation for timeliness; and 2) will result in a waitlist as CCBs are unable to cover the costs of service delivery and coordination through other funding sources. In order for Colorado to be eligible to receive federal Part C funds, there cannot be a waitlist and services must be delivered within the established timeline. Requiring CCBs to obtain a Medicaid denial can potentially cost the state \$8.0 million in federal Part C funds.

### **OPTIONS**

Staff has considered the following options as means to address the capacity and service delivery challenges faced by CCBs as a result of Department policy:

- Move early intervention services and case management to the Department of Health Care Policy and Financing.
- Allocate General Fund directly to the Community Centered Boards, resulting in an annual specified General Fund transfer to each entity.
- Require the Department to pass on General Fund to CCBs for services without the requirement of a Medicaid denial.

### **STAFF RECOMMENDATION**

Staff recommends that the Committee sponsor legislation that requires the department to pass on General Fund for appropriately billed and eligible services and service coordination to CCBs without restriction.

## **Issue: Part C Child Find Early Intervention Evaluations**

The Early Intervention Program is administered by the Division of Community and Family Support in the Office of Early Childhood. It provides early intervention (EI) services to infants and toddlers ages zero through two years of age who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability.

### **SUMMARY OF ISSUE**

- Pursuant to 34 C.F.R. Section 303.302, the state is required to have a comprehensive Child Find system, that focuses on the early identification of infants and toddlers who have developmental delays or disabilities.
- Each child, birth through two who is referred for early intervention services shall receive an evaluation by a multidisciplinary team to determine if there is a developmental delay and an assessment to identify a child's current levels of development in all developmental domains.
- Child Find evaluations are performed by Child Find teams within local schools districts or Boards of Cooperative Educational Services (BOCES).
- Evaluations must be completed and a coordinated service plan must be developed within 45 days of a child's referral.
- The Department reports that in FY 2013-14, 220 evaluations were conducted by Community Centered Boards (CCB) because Child Find teams were finding it difficult to meet the 45 day requirement due to capacity issues.
- In FY 2013-14, CCBs referred 394 children to Child Find for evaluations. This practice represents a system inefficiency and may result in increased barriers for families to access care.

### **STAFF RECOMMENDATION**

Staff recommends that the Committee consider sponsoring legislation to move responsibilities for Part C Child Find and corresponding funding from the Department of Education to the Department of Human Services; and provide the option for CCBs to either conduct their own early interventions evaluations or contract with the local school district or Board of Cooperative Educational Services or another party to perform the early intervention evaluations. Funding associated with Part C Child Find will be used to mitigate the costs of performing the evaluations or contracting another entity to do so.

## **DISCUSSION**

### **Background Information**

The Early Intervention Program is administered by the Division of Community and Family Support in the Office of Early Childhood. It provides early intervention (EI) services to infants and toddlers ages zero through two years who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability. The Department of Human Services is designated as Colorado's lead agency under Part C of the Federal Individuals with Disabilities Education Act (IDEA) and reports that intervention services are provided to eligible children and their families to enhance child development in 15 allowable areas of service and service coordination that include cognition, speech, communication, physical development, motor development, vision, hearing, social and emotional development, and self-help skills. These community-based services are delivered statewide by 20 Community Centered Boards (CCBs), with whom the Department contracts.

Community Centered Boards are private corporations that can be either for-profit or not-for-profit entities. Pursuant to Section 25.5-10-202 (4), when acting as a service agency, the CCBs provide case management services to persons with intellectual and developmental disabilities; and are authorized to determine eligibility of those persons within a specified geographical area, serve as a single point of entry for persons to receive services and supports, and provide authorized services and supports either directly or by purchasing services and supports from service agencies. In cases of children, birth through two years of age, multi-disciplinary evaluations are performed by Child Find teams under the supervision of the Department of Education, and those meeting the evaluation threshold are referred to the appropriate CCB. Each CCB serves a specific geographic region covering from one to ten counties and is responsible for: intake; eligibility determination; providing service coordination; service plan development; and arrangement, delivery, and monitoring of services.

The Early Intervention Colorado State Plan, 2014, indicates that rule 12 CCR 2509-10 states that the EI program "shall have a comprehensive Child Find system, pursuant to 34 C.F.R. Section 303.302, that focuses on the early identification of infants and toddlers who have developmental delays or disabilities, including a system for making referrals so that timely and rigorous identification shall occur." Section 22-20-103 (4), C.R.S., identifies Child Find as the program component of the federal Individuals with Disabilities Education Act (IDEA) that requires states to find, identify, locate, evaluate, and serve all children with disabilities, from birth to twenty-one years of age. Child Find includes: Part C Child Find, which means the program component of IDEA that requires states to find, identify, locate, evaluate, and serve children with disabilities from birth through two years of age; and Part B Child Find, which means the program component of IDEA that requires states to find, identify, locate, evaluate, and serve children with disabilities from three to twenty-one years of age. Specific Department of Education (CDE) responsibilities for Part C Child Find are described in section 22-20-118, C.R.S., including: ensure that administrative units (defined as a school district, a board of cooperative services, a multi-district administrative unit, or the state charter school institute, that is providing educational services to exceptional children and that is responsible for the local administration of

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the article) perform the necessary screening and evaluation of children with disabilities from birth through two years of age; promulgate rules and administrative remedies to ensure that the IDEA timelines and requirements of Part C Child Find are met by administrative units and to establish a process for addressing situations where administrative units fail to meet the timelines and requirements; establish state-level interagency operating agreements, including but not limited to:

- Working with the department of human services as necessary and within existing resources to assist in developing and implementing the DHS statewide plan for community education outreach and awareness efforts related to Part C Child Find and the availability of early intervention services.
- Coordinating a process with the department of human services to provide for, accept, and assist with referrals to families in finding the appropriate agency for intake and case management as defined in section 27-10.5-102, C.R.S.;
- Facilitating the implementation of Part C Child Find and the use of Medicaid funds related to Part C Child Find activities.
- Monitoring screenings and evaluations by administrative units of children with disabilities.

Further, the administrative units are required to:

- Establish local-level interagency operating agreements with community-centered boards as necessary to assist in developing and implementing the DHS statewide plan for community education outreach and awareness efforts related to Part C Child Find and the availability of early intervention services.
- Screen and evaluate children from birth through two years of age who have been referred to the administrative unit for services under Part C Child Find. Administrative units may elect to serve children from birth through two years of age identified as needing services under Part C Child Find as defined in Section 22-20-103 (4) (a), C.R.S.
- Pursuant to the development of the Individualized Family Service Plan (IFSP), coordinate with CCBs to have the same representative who conducts a Part C Child Find evaluation attend the mandatory meeting at which the family receives information concerning the results of the Part C Child Find evaluation; and
- Pursuant to section 27-10.5-704, C.R.S., coordinate with CCBs, the DHS, and the CDE to assist a child with disabilities as he or she transitions from the developmental disabilities system into the public education system no later than the age of three.

Under 24 C.F.R., Section 303.310 and 303.345, the Code of Federal Regulations requires that infants and toddlers receive an evaluation, eligibility determination, and initial planning meeting within 45 calendar days of the date of referral. The target is 100.0 percent compliance with this measure; however Colorado's performance was 98.9 percent in FY 2012-13 and approximately 95.0 percent in FY 2013-14. The Department reports that the decrease in the rate of compliance is due to capacity issues reported by CCBs and the school district Child Find teams. The Office of Special Education Programs in the U.S. Department of Education also established a target of 100.0 percent for the timely initiation of EI services as documented in the IFSP. The Department defines timely as 28 days. The Department reports actual performance in this measure as ranging from 90.0 to 98.0 percent for FY 2013-14.

### **Analysis**

According to the Early Intervention Colorado State Plan, 2014, each child, birth through two years of age who is referred for EI services shall receive an evaluation by a multidisciplinary team to determine if there is a developmental delay and an assessment to identify a child's current levels of development in all developmental domains. Responsibilities of the CCBs include, but are not limited to:

- The development of local procedures to inform primary referral sources of the requirement under 34 C.F.R., Section 303.303, which is incorporated by reference as defined in Section 7.900, A, 5 to refer a child as soon as possible, but in no case more than seven days after the child has been identified with a suspected developmental delay or disability;
- Ensuring that local child identification process is
  - family centered;
  - easily accessible;
  - ongoing and available throughout all 12 months of the year;
  - culturally and linguistically appropriate;
  - staffed by appropriately trained personnel at the post-referral screening level, and appropriate, licensed personnel at the evaluation and assessment level;
  - coordinated so that the completion of evaluation and assessment activities occurs early enough in the process to allow completion of the IFSP within the 45 calendar-day timeline from the point of referral
- Convening a meeting within 45 days from the date of referral for an eligible child for the purpose of developing the IFSP;

In terms of child identification, the procedures for eligibility determination for developmental delay states that the final eligibility determination still rests with the CCB based on information from the local multidisciplinary evaluation team. CCBs shall provide service coordination for each infant and toddler from the date of the referral through transition at three years of age, exit from EI services or a determination of ineligibility, whichever occurs first. Procedures in the Early Intervention Colorado State Plan, 2014 state that CCBs are “the only qualified providers for service coordination; including Targeted Case Management services, for infants and toddlers enrolled in early interventions services.

According to the Early Intervention Services FY 2013-14 Annual Report, the demand for CCBs to conduct initial eligibility evaluations increased from FY 2011-12 “as some school districts were having a harder time meeting the federally required 45-day timeline for completing Child Find evaluations for referred infants and toddlers.” The report indicates that in FY 2008-09, 69 children had evaluations completed by CCBs, whereas in FY 2012-13, 223 evaluations were conducted by CCBs; and in FY 2013-14, 220 evaluations were conducted by CCBs. In FY 2013-14, 12,074 duplicative referrals were made to CCBs/Child Find for evaluations. Of those, 394 were made from CCBs to Child Find. If a CCB employs qualified staff who can perform the evaluations, referral of the family to another entity is inefficient and time-consuming for both the CCB staff and the family. It also has the potential of negatively impacting the CCBs compliance with the 45 day requirement for the completion of the IFSP. In addition, referral of a family to another location may present barriers in access to services depending upon the family's resources and transportation needs. CCBs without internal staff resources that can perform evaluations

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will continue to benefit from Child Find team evaluations as long as school calendar or limited district capacities do not result in delays in performing them.

The Department of Education is appropriated \$2.9 million for Child Find. A portion of this funding is provided for staff to conduct Part C early intervention evaluations

**STAFF RECOMMENDATION**

Staff recommends that the Committee consider sponsoring legislation to move responsibilities for Part C Child Find and corresponding funding from the Department of Education to the Department of Human Services; and provide the option for CCBs to either conduct their own early interventions evaluations or contract with the local school district or Board of Cooperative Educational Services or another party to perform the early intervention evaluations. Funding associated with Part C Child Find will be used to mitigate the costs of performing the evaluations or contracting another entity to do so.

## **Issue: The 3+ Initiative**

The Early Intervention Program is administered by the Division of Community and Family Support in the Office of Early Childhood. It provides early intervention (EI) services to infants and toddlers ages zero through two years of age who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability. Children aging out of early intervention services at the age of three are no longer eligible for Part C services and coordinated case management.

### **SUMMARY OF ISSUE**

- Early intervention services are provided to children ages birth through two years of age by Community Centered Boards (CCB).
- Children aging out of early intervention services at the age of three are no longer eligible for Part C services and coordinated case management under the federal Individuals with Disabilities Education Act (IDEA).
- Children ages 3-21 may be eligible to receive services under Part B of IDEA; however case management is not required, and some services may not be covered by this funding source.
- In order to reduce the gap in services and supports for three and four year old children, Developmental Pathways has developed a 3+ initiative.
- Intended outcomes of this initiative include: a less traumatic impact on families due to loss of critical support relationships developed with therapists; increased stabilization of child behavioral skills; improved success in early educational environments; and an overall reduction in the number of children formerly receiving EI services who are expelled from preschool.

### **STAFF RECOMMENDATION:**

In order to provide ongoing services and supports to three and four year old children and their families as they transition from Part C IDEA to Part B IDEA, staff recommends that the Committee consider sponsoring legislation to fund a 3+ Initiative pilot project for three years. Staff also recommends that the pilot project should be evaluated on an annual basis through clearly defined and appropriate performance measures and outcomes.

### **DISCUSSION**

#### **Background Information**

The Early Intervention Program is administered by the Division of Community and Family Support in the Office of Early Childhood. It provides early intervention (EI) services to infants and toddlers ages zero through two years of age who have been determined to have a

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developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability. Children aging out of early intervention services at the age of three are no longer eligible for Part C services and coordinated case management. Children in need of ongoing services for a developmental delay or disability may receive services and support through Part B of the Individuals with Disabilities Education Act (IDEA) or the Family Support Services Program.

The Family Support Services Program (FSSP) provides support for families who have children with developmental disabilities or delays with costs that are beyond those normally experienced by other families. The primary purpose of the FSSP is to support children with developmental disabilities or delays remaining within their own family setting and prevent out-of-home placements. FSSP may not be able to meet all of the family's needs on an ongoing basis. In addition to FSSP, some families may be eligible for waivers, but according to Community Centered Boards (CCBs), there are no other funding streams that can be accessed that will cover the cost of case management and services until the child turns 18 and is eligible for comprehensive or supported livings services. Some families do choose to use private pay to cover ongoing services.

Since the enactment of the original legislation in 1975, children and youth (ages 3-22) receive special education and related services under Part B of IDEA. While children receiving early intervention services through a CCB under Part C of IDEA benefit from the relationship and experience of a service coordinator or case manager, upon turning three years old, this is not always the case. Under Part B of IDEA, there is no requirement for a child and family to have a case manager and it is left up to the family to connect with other families experiencing the same dynamics to receive support. Frequently the child's primary service provider under Part B, such as a speech and language pathologist or a teacher, will partner with the family in the same way the service coordinator did under Part C.

Specifically under Part C, each eligible infant or toddler and their family must be provided with one service coordinator. The designated service coordinator should be the person who is most immediately relevant to the infant or toddler's or family's needs. That person is responsible for: coordinating all services across agency lines, facilitating connections between families and potential supports, and serving as the single point of contact in helping parents obtain the services and assistance they need. Service coordination is an active, ongoing process that involves assisting parents in gaining access to the early intervention services and supports, coordinating the provision of services and supports, facilitating the timely delivery of services and continuously seeking all services and supports necessary.

Under special education, there is no requirement that a service coordinator be designated for a child and his or her family. Part B Child Find coordination includes many components which are a part of service coordination, including planning and development in the areas of public awareness, community referral systems, screening and evaluation, service coordination and staff development. It can also include coordination and implementation in the areas of interagency collaboration, screening procedures, including vision and hearing, and referral procedures to parents and children about all public and private resources that can meet identified needs.

According to the Department of Education, one of the challenges for families transitioning from Part C services and coordination to Part B planning is the change from the family-focused services of early intervention to the child-centered education programs of Part B. CDE also notes that in Part C, family involvement is mandatory and parents are expected to be decision makers for the child's services. Families are taught and encouraged to provide and advocate for the child's needs. When the child enters the Part B program at three years of age, the school assumes the primary education responsibility and "the values and priorities of the parents may not match those of the education team."<sup>1</sup> CCBs report that though planning for children occurs under Part B, some of the needed services may not be paid for by the school district.

Not all children who have been receiving Part C services will make a transition to Part B services when the child turns three. For example, some children who were eligible for Part C services may not meet the eligibility criteria for special education services when they turn three years old. Other children may not be enrolled in a preschool program, but are cared for by a child care provider, family member, or parent.

### ***Beyond Early Intervention***

Of the 20 CCBs, Developmental Pathways, the CCB that serves Arapahoe and Douglas Counties and a portion Adams County, serves the largest number of individuals with intellectual and developmental disabilities. According to the Department, Developmental Pathways' estimated average monthly enrollment for FY 2014-15 is 1,746 children. The CCB estimates that annually 500 children age out of early intervention services. In an effort to provide necessary services and supports to children and families in years during which there can be a gap, Developmental Pathways has launched a new initiative called 3+. This initiative is designed to continue case management relationships for four and five year old children and their families, allowing for a more gradual transition into the part B program. Intended outcomes of this initiative include: a less traumatic impact on families due to loss of critical support relationships developed with therapists; increased stabilization of child behavioral skills; improved success in early educational environments; and an overall reduction in the number of children formerly receiving EI services who are expelled from preschool.

The cost per child is not expected to change as the child transitions from EI services to 3+ services. The Department calculates the average cost per child for early intervention services at \$5,243; and the average cost per child for case management at \$1,179. As with the EI program some services may be Medicaid eligible. The estimated total cost for 500 children is provided in the following table.

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<sup>1</sup> Johnson, Cheryl. *Supporting Families in Transition between Early Intervention and School Age Programs*. Colorado Department of Education, 2001.

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<b>Estimated Cost of 3+ Initiative</b>					
<b>500 Children/year – Average Monthly Enrollment, 42</b>					
	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reapprop. Funds</b>	<b>Federal Funds</b>
Average monthly enrollment	42				
Direct service rate per child	\$5,243				
Total cost - direct service	\$220,206	\$105,919	\$65,842	\$0	\$48,445
Service coordination rate per child	\$1,032				
Total cost - service coordination	\$43,344	\$15,214	\$0	\$28,130	\$0
<b>Total Cost</b>	<b>\$263,550</b>	<b>\$121,133</b>	<b>\$65,842</b>	<b>\$28,130</b>	<b>\$48,445</b>

**STAFF RECOMMENDATION**

In order to provide ongoing services and supports to three and four year old children and their families as they transition from Part C IDEA to Part B IDEA, staff recommends that the Committee consider sponsoring legislation to fund a 3+ Initiative pilot project for three years. Staff also recommends that the pilot project should be evaluated on an annual basis through clearly defined and appropriate performance measures and outcomes.

## **Issue: Child Welfare Audit**

The Division of Child Welfare provides funding for programs that protect children from harm and assist families in caring for and protecting their children. Nearly 90.0 percent of funding in this division is allocated to counties, which are responsible for administering child welfare services under the supervision of the Department. County departments receive and respond to reports of potential child abuse or neglect and provide appropriate child welfare services to the child and the family, including providing for the residential care of a child when a court determines this is in the best interests of the child. On November 12, 2014, the Office of the State Auditor (OSA) released the performance audit report on child welfare programs in the Department of Human Services. This issue brief contains a summary of this audit and the OSA's recommendations to the Department. Further details, including the Department's responses to the audit recommendations can be found at the following link:

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/E5214710B77C878487257D320050F29A/\\$FILE/1354S%20-%20Colorado%20Childrens%20Welfare%20Workload%20Study%20Report%20August%202014.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/E5214710B77C878487257D320050F29A/$FILE/1354S%20-%20Colorado%20Childrens%20Welfare%20Workload%20Study%20Report%20August%202014.pdf)

### **SUMMARY OF ISSUE**

- On November 12, 2014, the Office of the State Auditor released the performance audit report on child welfare programs in the Department of Human Services.
- The audit made 16 recommendations, including 47 sub-parts to the Department to improve various aspects of the child welfare system.
- The Department agreed with 31 recommendation sub-parts, partially agreed with 6 recommendation sub-parts, and disagreed with 10 recommendation sub-parts.
- According to the report, the audit found deficiencies in Department oversight of and guidance for county departments, particularly with respect to screening and assessing child abuse and neglect allegations.
- Findings suggest a need for the Department to improve its supervision of the child welfare system to promote strong and consistent practices by the counties.

### **STAFF RECOMMENDATION**

Staff recommends that the Committee discuss the findings of the Office of the State Auditor at the Department's hearing.

### **DISCUSSION:**

The Division of Child Welfare provides funding for programs that protect children from harm and assist families in caring for and protecting their children. Nearly 90.0 percent of funding in this division is allocated to counties, which are responsible for administering child welfare services under the supervision of the Department. County departments receive and respond to reports of potential child abuse or neglect and provide appropriate child welfare services to the child and the family, including providing for the residential care of a child when a court

determines this is in the best interests of the child. On November 12, 2014, the Office of the State Auditor released the performance audit report on child welfare programs in the Department of Human Services. Following is a summary of the Department of Human Services Child Welfare Performance Audit.

### **Background Information**

Title 19 of the Colorado Revised Statutes, referred to as The Colorado Children’s Code defines the process through which the child welfare system will provide care for abused and neglected children, preserve and strengthen family ties when possible, and remove a child from the custody of his or her parents when the child’s safety or the protection of the public will otherwise be endangered. Child abuse or neglect is defined in Section 19-1-103 (1) (a), C.R.S., as an act or omission that threatens the health or welfare of a child and includes: physical injury or death; unlawful sexual behavior; inadequate provision of basic needs; emotional abuse; exposure to controlled substances; abandonment; or allowing others to abuse or mistreat a child without taking action to stop it.

Colorado is one of nine-states that operate a state-supervised, county-administered child welfare system. Pursuant to Section 26-1-118 (1), C.R.S., counties serve as agents of the state in administering public assistance and related activities. The Department is responsible for supervision of county child welfare programs; providing technical assistance to counties; overseeing implementation of new initiatives and child welfare program requirements; overseeing county staff training; allocating state and federal funding to counties; approving county child welfare plans; and responding to stakeholder complaints. The Department provides oversight of the child welfare system through two divisions, including the Child Welfare Division and the Administrative Review Division. The State Board of Human Services is responsible for: rule making; formulating and revising policies; and advising the Executive Director. Counties are responsible for: accepting reports of known or suspected child abuse and neglect; assessing allegations of maltreatment; and authorizing and providing services.

### ***The Audit***

This audit resulted from a legislative audit request and occurred from July 2013 through October 2014. It focused on the initial stages of a family’s involvement in the child welfare system. The following topics were reviewed in this audit, and the auditors provided the indicated recommendation(s) for each:

- **Screening reports of child abuse and neglect** – The Department should ensure that counties make appropriate child welfare referral screening decision based on established requirements by working with the State Board of Human Services to
  - Implement guidance and training that clarifies how counties should interpret statutes and rules and use referral information; and
  - Establish requirements for counties to include in Trails a brief narrative of the rationale behind their referral screening decisions.
- **Timeliness of initial contract** – The Department should strengthen its performance measures and monitoring related to counties making actual contact with children within assigned response times by
  - Expanding C-Stat performance measures to include a separate measure on actual initial contacts with children; and

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- Developing and publicly reporting a separate performance measure that reflects actual initial contacts with children on the Community Performance Center.
- **Assessment of child safety and risk of future maltreatment** – The Department should ensure that children’s safety and risk of abuse or neglect are assessed in a thorough and timely manner by
  - Establishing clear written guidance on how caseworkers should identify child safety concerns in situations that may be difficult to assess;
  - Establishing written expectations that counties implement controls to prevent the same person from both requesting and approving an extension to complete an assessment or the closure of an assessment.
- **Child Fatality Review Team (CFRT)** – The Department should improve its CFRT process by
  - Implementing a process to provide members written information on county violations; and allow members to review and provide feedback on all reports before they are finalized;
  - Working with the State Board of Human Services to promulgate rules to provide addition guidance on the CFRT process.
- **Reporting of egregious incidents** – The Department should improve county reporting of egregious incidents of abuse and neglect by
  - Working with the State Board of Human Services to further define in rules, or implementing through other formal mechanisms, egregious incidents of child abuse and neglect that require review; and
  - Providing training and guidance to county departments of human/social services on the identification and reporting of egregious incidents.
- **Sharing information with mandatory reporters** – The Department should ensure compliance with the requirements for providing certain mandatory reporters with information about cases they have reported to the county.
- **Child Protection Teams** – The Department should work with child welfare and county stakeholders to assess whether Child Protection Teams are still needed and work with the General Assembly on statutory changes to either make Child Protections Teams effective as an oversight mechanism for the child welfare system or to eliminate the requirement for the Child Protection Teams.
- **Interpretation of Department authority** – The Department should ensure that it exercises appropriate authority when advising and overseeing counties regarding requirements for the child welfare system by
  - Requesting a legal opinion of the Office of the Attorney General on whether the Department has authority to waive rules that govern the child welfare system or to otherwise provide direction to counties to operate in a manner that is inconsistent with requirements in rules;
  - Discontinuing the practice if the Attorney General finds that the Department does not have authority to waive or contravene rules; and
  - Take steps to communicate any changes in practice or expectations.
- **Performance measures** – The Department should improve its SMART Government Act performance measure for child welfare by revising the “Timeliness of Assessment Closure” measure, or adding an additional measure, to align with the regulatory requirements of

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investigative assessments to be closed in 30 days unless an extension is approved by a supervisor; and using this measure as a basis for awarding incentives to counties.

- **Cooperative agreements between county departments and law enforcement agencies** – The Department should promote compliance with the statutory requirement that county departments of human/social services establish cooperative agreements with the law enforcement agencies in their jurisdictions.
- **Collaborative Management Program (CMP)** – The Department should improve its oversight of the program.
- **General Fund Savings** – The Department should improve its management of general fund savings from the CMP by
  - Working with the State Board of Human Services to promulgate a rule to determine General Fund saving resulting from the CMP;
  - Discontinuing the practice of requiring county-level programs to elect either a savings or surplus distribution in their memoranda of understanding; and
  - Seeking further legal guidance on the use of surplus funds for distributing General Fund savings, and proposing legislative change to establish a mechanism for distributing General Fund savings.
- **Data management and program accountability** – The Department should improve accountability for the CMP by
  - Requesting an opinion from the Office of the Attorney General on whether the Department is exercising its full authority as permitted in current statute and ensure that practice is consistent with the opinion;
  - Developing improved data collection and reporting protocols for programmatic and expenditure data and requiring all county departments that participate in county-level programs to comply with them;
  - Assessing options for implementing a single data system to maintain CMP data.
- **Ensuring program outcomes** – Given the shortcomings of the CMP, the auditors were unable to draw any conclusions as to whether the CMP is effective in accomplishing its statutory purpose.
- **Operation of the Differential Response Pilot Program** – If the General Assembly enacts legislation to continue the use of differential response beyond July 1, 2015, the Department should ensure successful expansion of differential response by
  - Establishing guidance that clearly defines risk levels that influence whether a differential response assessment is appropriate and clarifies how different factors can influence a child’s risk of maltreatment;
  - Enforcing Department policies and guidance or working with the State Board of Human Services to codify in rules all requirements that counties must follow when handling assessments and cases through the program; and
  - Implementing a more robust process for monitoring differential response activities that includes modifying Trails.
- **RED Team group decision making** – The Department should ensure that counties statewide implement the RED Team process consistently and effectively by
  - Establishing guidance that clarifies when counties must use RED Teams, and how counties should document RED Team discussions and supervisory approval of RED Team decision;

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- Adding a component to the Administrative Review Division’s quality assurance reviews that includes reviewing Trails documentation that supports RED Team decisions for referrals that are assigned for assessment; and
- Modifying Trails so the database fields more closely align with the factors RED Teams consider during their discussions.

***Office of the State Auditor, Key Facts and Findings***

According to the report, the audit found deficiencies in Department oversight of and guidance for county departments, particularly with respect to screening and assessing child abuse and neglect allegations. The findings suggest a need for the Department to improve its supervision of the child welfare system to promote strong and consistent practices by the counties. The audit made 16 recommendations, including 47 sub-parts to the Department to improve various aspects of the child welfare system. The Department agreed with 31 recommendation sub-parts, partially agreed with 6 recommendation sub-parts, and disagreed with 10 recommendation sub-parts. Following are the key facts and findings found on page one of the report:

- In the review of 20 screened out referrals and 10 referrals of incidents reviewed by the Child Fatality Review Team (CFRT), it was unclear that counties followed statutes and rules to make appropriate screen-out decision for six referrals.
- For 4 of 40 sampled assessments, Trails documentation showed that caseworkers did not interview or observe children involved with child welfare referrals within county-assigned response times.
- The Trails records for all 40 assessments of child safety and risk in the sample did not demonstrate adequate or timely completion of all required elements.
- Of 18 CFRT reports summarizing reviews of FY 2013 incidents, it was found that the CFRT did not always identify violations and did not recommend improvements for about 34 percent of the deficiencies it found related to referral screening and assessments; and 75 percent of the CFRT’s recommendations for incidents that occurred from FY 2011 through 2013 had not been fully implemented as of April 2014.
- In several instances, the Department established processes to direct or approve counties’ not following State Board of Human Services rules.
- The Department allocated \$1.3 million to CMP incentive fund monies to county programs for FY 2013, but lacks processes to ensure that the programs are accomplishing the intent of the program.
- Of 10 sampled referrals that were assessed using differential response, the assessments may have been more appropriate to assign as investigative assessments. The audit found problems with the completeness of Trails documentation for the sampled differential response assessments.

**STAFF RECOMMENDATION:**

Staff recommends that the Committee discuss the findings of the Office of the State Auditor at the Department’s hearing.

## **Issue: Child Welfare Workload Study**

In August 2014, the Office of the State Auditor released the Colorado Child Welfare County Workload Study. The study was conducted pursuant to Section 2-3-103, C.R.S. which authorized the State Auditor to conduct audits of all departments, institutions, and agencies of state government. The purpose of study was to “establish a comprehensive picture of the state’s county child welfare workload, case management, and staffing levels and identify estimated workload and staffing levels to accomplish child welfare goals.”

### **SUMMARY OF ISSUE**

- In August 2014, the Office of the State Auditor released the Colorado Child Welfare County Workload Study.
- The purpose of study was to “establish a comprehensive picture of the state’s county child welfare workload, case management, and staffing levels and identify estimated workload and staffing levels to accomplish child welfare goals.”
- The study evaluated the workload and case management of county caseworkers, supervisors, and other frontline staff statewide, and included a time study to determine the amount of time county caseworkers, supervisors and other staff spend on job duties, including child welfare and non-child welfare tasks.
- By utilizing the workload data above and combining it with information on the number of actual cases to be served a workload model was developed and used to determine the actual number of hours it would take staff to complete all responsibilities according to statute and rule.
- The study indicates that an estimated 574.0 additional case worker FTE positions, plus 122.0 related supervisory positions are needed to handle the caseloads associated with the time study.
- The Department is requesting an additional \$8.2 million total funds, including \$6.6 million General Fund, and 0.9 FTE for FY 2015-16 with an annualization of \$7.9 million total funds, including \$6.3 million General Fund, and 1.0 FTE for FY 2016-17. These moneys will be appropriated in the Child Welfare Block and are intended to fund 110 case workers, 15 supervisors, and 5 case aides.

### **STAFF RECOMMENDATION**

Staff recommends that the Committee consider:

- Including a footnote in the Long Bill on the Child Welfare Services line item that defines that the intent of the General Assembly is that funds associated with this request to be used for the hiring of additional county child welfare staff.

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- Including a Request for Information in the 2015 letter to the Governor requesting that the Department monitor and provide corresponding data to the Committee on county hiring practices and staffing levels on an on-going basis.

**DISCUSSION**

**Background Information**

In August 2014, the Office of the State Auditor released the Colorado Child Welfare County Workload Study. The study was conducted pursuant to Section 2-3-103, C.R.S. which authorized the State Auditor to conduct audits of all departments, institutions, and agencies of state government. The study was performed by ICF International Incorporated, L.L.C. in collaboration with Walter R. McDonald & Associates, Inc. According to the workload study report, the purpose of study was to “establish a comprehensive picture of the state’s county child welfare workload, case management, and staffing levels and identify estimated workload and staffing levels to accomplish child welfare goals.” It focused on actual time spent on tasks in order to evaluate efficiencies, develop workload standards, and determine the need for additional resources.

**Summary of Workload Study**

The study evaluated the workload and case management of county caseworkers, supervisors, and other frontline staff statewide, and included a time study to determine the amount of time county caseworkers, supervisors and other staff spend on job duties, including child welfare and non-child welfare tasks. The time study spanned 4 weeks and included the participation of 54 counties and approximately 1,300 child welfare workers. The amount of time spent on 11 major services, 15 task categories within each service, and 69 sub-tasks within each task category during the month of February 2014 was recorded. An analysis of the time study data and input from over 60 county child welfare staff was performed resulting in the estimated amount of time necessary to perform a service for a case if all requirements are met. An additional data request was sent to each county, requesting information about staffing and human resources practices. Of Colorado’s 64 counties, 49 provided information. The table below provides an overview of the job positions included in the time study.<sup>2</sup> Of those who participated in the study, 61.0 percent were child welfare caseworkers; 17.0 percent were supervisors, managers and executives; 15.0 percent were child welfare support staff; and 7.0 percent were other staff. Beginning on February 1<sup>st</sup>, participants recorded their time by service, task category within each service, and key tasks within each task category.

<b>County Child Welfare Time Study</b>			
<b>Examples of Job Positions</b>			
<b>Caseworker</b>	<b>Supervisor/Manager</b>	<b>Support</b>	<b>Other (e.g. Specialized)</b>
<ul style="list-style-type: none"> <li>• Caseworker</li> <li>• Social caseworker</li> <li>• Senior social caseworker</li> <li>• Lead caseworker</li> </ul>	<ul style="list-style-type: none"> <li>• Casework supervisor</li> <li>• Unit supervisor</li> <li>• Program manager</li> <li>• Child and family supervisor</li> </ul>	<ul style="list-style-type: none"> <li>• Case aide</li> <li>• Case services aide</li> <li>• Administrative assistant</li> <li>• Secretary</li> </ul>	<ul style="list-style-type: none"> <li>• Adoption assistance specialist</li> <li>• Child protection community liaison</li> </ul>

<sup>2</sup> ICF International Incorporated, L. (2014). *Colorado Department of Human Services: Colorado Child Welfare County Workload Study*. Denver: State of Colorado Office of the State Auditor.

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	<ul style="list-style-type: none"> <li>• Director</li> <li>• Deputy director administrator, child welfare</li> <li>• Social services supervisor</li> </ul>	<ul style="list-style-type: none"> <li>• Business associate</li> <li>• Screener</li> <li>• Hotline operator</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitator/mediator</li> <li>• Family advocate</li> <li>• Family engagement specialist/facilitator</li> <li>• Foster care specialist</li> <li>• Kinship navigator</li> <li>• Visitation facilitator</li> <li>• Volunteer coordinator</li> </ul>
<i>Source: ICF International's analysis of data collected during the February 2014 time study of county child welfare workers.</i>			

Because child welfare programs are client-focused, ICF used the client-oriented workload perspective. It accounts for differences in cases and services, including case complexities and the length of time needed to provide those services. The time study indicated that participants spend an average of 43.3 hours per week on child welfare programs. Data in the table below is from the workload study report and provides a breakdown of the average hours per week worked by job group, including leave time. A breakdown of hours spent per worker per week by job group can be found in the workload study report. The report is posted on the website of the Office of the State Auditor and can be accessed at the following link:

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/E5214710B77C878487257D320050F29A/\\$FILE/1354S%20-%20Colorado%20Childrens%20Welfare%20Workload%20Study%20Report%20August%202014.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/E5214710B77C878487257D320050F29A/$FILE/1354S%20-%20Colorado%20Childrens%20Welfare%20Workload%20Study%20Report%20August%202014.pdf).

<b>Child Welfare Time Study Results</b>	
<b>Average Weekly Hours Dedicated to the Child Welfare Program</b>	
<b>Job grouping</b>	<b>Average hours dedicated to child welfare per Week per worker</b>
Child welfare caseworkers	44.6
Child welfare supervisors, managers, & executives	48.0
Child welfare support staff	36.7
Other staff	35.5
<b>All participants</b>	<b>43.3</b>
<i>Source: ICF International's analysis of data collected during the February 2014 time study of county child welfare workers.</i>	

It is important to consider the amount of time child welfare workers spend on cases in each service and task area. This information was used to develop a workload model and determine the optimal caseload and hours per case for each worker to fulfil mandates and achieve program goals. The following table from the report summarizes the average number of hours per recipient spent in each case-related service area for all time study participants.

<b>Child Welfare Time Study Results</b>			
<b>Average Hours Spent per Recipient by Service</b>			
<b>Service</b>	<b>Total hours recorded</b>	<b>Total recipients served</b>	<b>Average hours per recipient for all time study participants</b>
Screening/intake/hotline	18,713	6,791	2.8
Family meetings	6,036	1,457	4.1
Assessments	15,490	2,929	5.3
Ongoing in-home	11,344	2,053	5.5
Ongoing out-of-home	19,811	2,753	7.2
Visitation	4,478	737	6.1
Adoption	4,655	951	4.9
Licensing	3,282	639	5.1
<i>Source: ICF International's analysis of data collected during the February 2014 time study of county child welfare workers.</i>			

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In addition to analyzing statewide data for job group, services, tasks, and sub-tasks, the study also compared data between urban and rural counties. Based on guidance from the Department, 15 counties were classified as urban, while the remaining 49 counties were classified as rural. According to the report, the 15 urban counties account for 82.0 percent of the total time recorded during the study – consistent with the fact that these counties:

- Comprise 82.0 percent of the state’s population,
- Account for 84.0 percent of the total state child welfare budget, and
- Represent 83.0 percent of the child welfare staff in participating counties.

The report provides the following key summary findings in the context of services and task performance:

- Caseworkers participating in the time study spent about 68.0 percent of their time on case-related activities, including screening, family meetings, assessments, ongoing in-home and out-of-home services, and visitation.
- Of the 11 major services studied, time study participants spent the highest percentage of time (36.0 percent) on case support, which includes any work activities that are not related to a specific case, including staff meetings and training.
- Of the 15 task categories studied, time study participants spent the highest percentage of time (38.0 percent) on documentation and administration, including Trails documentation, human resource tasks, and other general office tasks.
- Improving operational efficiencies in the child welfare process could help provide more staff time and resources to counties, reducing the amount of additional resources needed to meet requirements and achieve desired outcomes.

ICF developed a workload model by establishing workload standards – the estimated amount of time necessary to perform a service for a case in a month if all federal and state law, policy, and good practices are met. These workload standards are summarized in the following table.

<b>Actual Measured and Estimated Hours per Case by Service for Colorado Child Welfare Caseworkers</b>			
<b>Service</b>	<b>Actual measured hours per case per time study results</b>	<b>Estimated hours per case to achieve objectives and meet requirements<sup>1</sup></b>	<b>Percent change</b>
Screening/intake/hotline	2.8	3.3	18%
Family meetings	4.1	9.5	132%
Assessments	5.3	8.3	57%
Ongoing in-home	5.5	8.1	47%
Ongoing out-of-home	7.2	14.3	99%
Visitation	6.1	13.9	128%
Adoption	4.9	12.6	157%
Licensing	5.1	11.6	127%

*Source: ICF International’s analysis of February 2014 Colorado county child welfare workers’ time study results, information obtained from focus groups, and workload results from other states.*

<sup>1</sup> *The estimated hours per case were established from qualitative analysis of the information provided by experienced caseworkers during focus group meetings, workload results from other states, and review by subject matter experts.*

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By utilizing the workload data above and combining it with information on the number of actual cases to be served, ICF developed a workload model. According to the report, the primary reasons *estimated service time* amounts are higher than the *actual measured* number of hours spent per case, include:

- Additional time is necessary to meet all mandated service requirements, on average, across cases. The actual time is lower than the estimated needed time because child welfare workers are not able to dedicate as much time to the services as required.
- More cases should receive the service each month; however due to a variety of factors (large caseloads, weather, scheduling, travel time), the proper amount of cases did not receive the service.
- The actual measured time did not accurately reflect the actual amount of time it takes to complete the task.
- More time should be dedicated to some task categories to fully meet the needs of the client.
- Time study averages may not be accurate for every month of the year.

The staffing model was used to calculate the number of additional FTE needed to cover the difference between the estimated hours per case per service at the level of the workload standard and the actual number of hours per case per service at the current staffing level. The following table provides a breakdown of these calculations.

<b>Caseworker Staffing Model and FTE Projections for the Time Study Participants</b>						
<b>Service</b>	<b>Monthly caseload</b>	<b>Actual monthly hours per case</b>	<b>Actual case-related FTE</b>	<b>Estimated monthly hours per case</b>	<b>Estimated case-related FTE</b>	<b>Additional FTE needed</b>
Screening/intake/hotline	6851	2.8	177	3.3	209	32
Family meetings	1464	4.1	55	9.5	128	73
Assessments	2929	5.3	143	8.3	224	81
Ongoing in-home	2077	5.5	105	8.1	155	50
Ongoing out-of-home	2768	7.2	184	14.3	365	181
Visitation	740	6.1	42	13.9	95	53
Adoption	951	4.9	43	12.6	111	68
Licensing	639	5.1	30	11.6	68	38
<b>Total</b>			<b>780</b>		<b>1357</b>	<b>576</b>
<i>Source: ICF International's analysis of time study case data, time study measured actual monthly hours per case data, and subject matter expert review to determine recommended hours data.</i>						

Staff has recreated the table found on page 60 of the workload study report. Staff's table does not include FTE associated with prevention or case-related support time not captured in services, as neither of those categories experienced a change in FTE. In addition, staff's calculation for estimated monthly FTE in the assessment category resulted in an estimate of 224.0 FTE, whereas the report only indicated an estimate of 222.0 FTE. Staff's calculation for additional FTE is 576.0 FTE as compared with 574.0 FTE in the report. The report estimates that an increase of 122 supervisor FTE may also be warranted.

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The workload study concludes by providing possible inefficiencies that may contribute to the need for additional FTE. The report states that “the data from the time study and focus group discussions with county child welfare staff provided indicators that there may be opportunities for the Department and counties to address inefficiencies in the current child welfare processes and thereby reduce the amount of additional resources needed to meet child welfare requirements and achieve program objectives.” These include:

- Trails modernization;
- Documentation standardization and the use of templates; and
- Improvement of county efficiencies.

***Department Request***

The Department is requesting an additional \$8.2 million total funds, including \$6.6 million General Fund, and 0.9 FTE for FY 2015-16 with an annualization of \$7.9 million total funds, including \$6.3 million General Fund, and 1.0 FTE for FY 2016-17. This request is based on the workload study’s findings that county caseworkers are working an average of 44.6 hours per week and supervisors, managers, and executives work an average of 48.0 hours per week. In addition, while time spent working on case related services are consistent with other state child welfare studies, Colorado caseworkers and supervisors manage more cases than compared with the national average. Finally, heavy caseloads and workloads have been cited repeatedly as key reasons workers leave child welfare. These funds are requested to allow counties to hire additional child welfare staff and thereby ensure that staff is allowed to manage a more appropriate number of cases; however the workload study did not provide guidance as to the appropriate caseload per case worker; nor did the study identify specific county staffing needs. A Workload Study Workgroup, consisting of both county and state Division of Child Welfare staff, has been reviewing the study to develop formal recommendations for an appropriate case worker to assessment/case ratio of 1:10; and a supervisor to case worker ratio of 1:5. Counties will be surveyed to determine the estimated number of case workers and supervisory staff needs.

Though the workload study estimates that counties need an additional 696.0 staff members, the Department estimates that it will take five years for counties to increase capacity to this level. The Department reports that conversations have been initiated with its county partners and is considering the recommendations of the Workload Study Workgroup for improvements required within the state and local systems, including recruitment and retention efforts within counties; expansion of programs to attract new students and talent to the child welfare system; increased availability of mandatory training for new workers and supervisors; and, expanded overhead including workspace, computers, and phone lines.

In addition to the increase in the Child Welfare Services line item, the Department is requesting funds to further analyze caseload ratios and monitor the impact of the additional child welfare staff on the overall system. The request includes 1.0 FTE for a training certification specialist (GP III) to handle the increase in training demands.

***Child Welfare Block***

Funds in the Child Welfare Services line item are allocated to counties as the Child Welfare Block established by S.B. 97-218. These funds provide the primary source of funding for

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counties to administer child welfare programs and deliver associated services to children and families. This line item appropriation provides funding for the following: county administration for child welfare related activities; out-of-home care; subsidized adoption and relative guardianship agreements; and other necessary and appropriate services for children and families. Pursuant to Section 26-5-104 (4) (a), C.R.S., county departments are authorized to use this allocation to provide child welfare services without categorical restriction. These funds are allocated to counties pursuant to a formula approved by the statutorily mandated Child Welfare Allocations Committee.

Through the Child Welfare Services line item, county departments of human and social services are reimbursed for 80.0 percent of related expenses, up to the amount available for each county's allocation. During FY 2012-13, the Child Welfare Allocation Committee (CWAC), county representatives, and the Department worked with a consultant to create a new allocation model that uses concrete, measurable cost drivers, demographic data, and outcome-based performance measures to allocate resources. The CWAC unanimously approved the model for implementation in FY 2013-14. The allocations for FY 2013-14 distributed 98.0 percent of the available funds using two methods. Allocations for July through December 2013 were based on the previously used Optimization Model. Funding for January through June 2014 was distributed using the new Outcomes Allocation Model. The Outcomes Model uses data from the most recent fiscal year for calculating the allocation, using a three-year average for non-demographic data elements. It includes the following drivers: child population; children in poverty; program services costs; days paid in foster care; days paid in congregate care; days paid in subsidized adoption; and new adoptions. The remaining two percent of available funds was reserved for incentives based on each county's performance in each of three outcome-based performance measures: absence of recurrence of child maltreatment; permanency for children in out-of-home care; and timeliness of child abuse assessments closure. The Outcomes Model was used for distributing funding in FY 2014-15 and will be used in ensuing fiscal years.

**Analysis**

The Child Welfare Block reimburses counties for up to 80.0 percent of child welfare expenditures, leaving the remaining 20.0 percent (or more if expenditures exceed the allocation) as the counties' responsibility. Staff requested information from the Department about the impact of the staffing increase on county funds. The Department notified staff that on Friday November 21, 2014, the Child Welfare Allocation Committee (CWAC), made up of county commissioners and state Division of Child Welfare staff, asked that counties be surveyed to determine which counties will, and which will not, be able to come up with the increase in local funds required by this request. Counties will also be asked to identify barriers that may prevent them from coming up with the increase in local funds. Counties will not be required to participate in the distribution of any funds that may be allocated for additional casework or supervisory staff.

If increased funding is approved, these funds will be appropriated in the Child Welfare Services line item and allocated to counties as part of the block. As stated above, pursuant to Section 26-5-104 (4) (a), C.R.S., county departments are authorized to use these funds to provide child welfare services without categorical restriction. Staff is concerned that an appropriation within

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this line item may not be used by counties to increase child welfare staff as intended. Staff has identified the following options to address concerns:

- Sponsor legislation that requires county departments to utilize funding solely for the purpose hiring child welfare staff;
- Appropriate the funding in a new line item specifically designated for staffing;
- Include a footnote in the Long Bill on the Child Welfare Services line item that defines that the intent of the General Assembly is that funds associated with this request to be used for the hiring of additional county child welfare staff.
- Include a Request for Information in the 2015 letter to the Governor requesting that the Department monitor and provide corresponding data to the Committee on county hiring practices and staffing levels.

**STAFF RECOMMENDATION**

Staff recommends that the Committee consider:

- Including a footnote in the Long Bill on the Child Welfare Services line item that defines that the intent of the General Assembly is that funds associated with this request to be used for the hiring of additional county child welfare staff.
- Including a Request for Information in the 2015 letter to the Governor requesting that the Department monitor and provide corresponding data to the Committee on county hiring practices and staffing levels on an on-going basis.

## **Issue: Collaborative Management Program**

The Department of Human Services, Division of Child Welfare currently administers the Collaborative Management Program (CMP). Section 24-1.9-101 (2), C.R.S., states that the uniform system of collaborative management is necessary to effectively and efficiently collaborate to share resources or to manage and integrate the treatment and services provided to children and families who benefit from multi-agency services. The CMP utilizes the collaboration of multiple youth serving agencies to create better outcomes for youth who have struggled with substance abuse, delinquency, educational outcomes, behavioral health, and other barriers to successful development.

### **SUMMARY OF ISSUE**

- The Collaborative Management Program (CMP) was established pursuant to H.B. 04-1451 and utilizes the collaboration of multiple youth serving agencies to create better outcomes for youth who have struggled with substance abuse, delinquency, educational outcomes, behavioral health, and other barriers to successful development.
- There are currently 38 counties participating in the CMP and eligible to receive incentive funds from the Performance-based Collaborative Management Incentive Cash Fund. Funding for this program has remained relatively flat for several years; while the number of participating counties has increased six-fold.
- The November 12, 2014 performance audit of child welfare programs includes recommendations specific to the program.
- Multiple shortcomings in this program were identified in the audit and the report states that “given the shortcomings of the CMP, the auditors were unable to draw any conclusions as to whether the CMP is effective in accomplishing its statutory purpose.”
- The Department is requesting \$2.1 million General Fund and 1.8 FTE in addition to the cash fund spending authority in FY 2015-16 to provide oversight and technical assistance to the counties and ensure adequate funding levels for CMPs

### **STAFF RECOMMENDATION**

If the Committee would like to continue funding this program, staff recommends that the Committee consider sponsoring legislation that:

- Defines the infrastructure and specifies components of the **uniform system of collaborative management** to ensure statewide program consistency;
- Clearly defines the target population of the program;
- Requires the Department to specify the performance measures that are evaluated and incentivized and remove all local performance measures from the state-wide reporting process; and include language that states that this expectation will not preclude local collaboratives from monitoring additional local measures;

- Strengthens the language in statute concerning the evaluation of the program to include guidance on what should be considered when allocating incentive funds;
- Establishes an interagency team that reviews and approves each county’s annual MOU;
- Requires the Department to substantially modify the incentive fund formula to eliminate the weighted distribution of incentive funds related to county size and ensure that it is based on actual number of children served rather than estimates; and
- Provides an option for interagency oversight groups to designate one of the following as the fiscal agent for the receipt of incentive fund allocations: county department of human/social services, a local school district, or a designated mental health organization.

## **DISCUSSION**

### **Background Information**

Pursuant to H.B. 04-1451, the Collaborative Management Program (CMP) was developed with the understanding that:

- Children and families who receive child welfare services often benefit from treatment and services that involve multiple agencies, division, units, and sections of departments at the state and county level;
- The development of a uniform system of collaborative management is necessary for agencies at the state and county levels to effectively and efficiently collaborate to share resources or to manage and integrate the treatment and services provided to children and families who benefit from multi=agency services; and
- The development of a more uniform system of collaborative management that includes the input, expertise, and active participation of parent advocacy or family advocacy organizations may reduce duplication and eliminate fragmentation of services, increase the quality, appropriateness, and effectiveness of services provided; encourage cost-sharing among service providers and ultimately lead to better outcomes and cost-reduction for the services provided to children and families in the child welfare system, including the foster care system

Section 24-1.0-102 (1) (a) grants county departments of social services the authority to enter into memorandums of understanding (MOU) that are designed to promote a collaborative system of local-level interagency oversight groups and individualized service and support teams to coordinate and manage the provision of services to children and families who would benefit from integrated multi-agency services. The MOUs must be between the following agencies:

- The local judicial districts, including probation services;
- The health department;
- The local school district(s);
- Each community mental health center;
- Each behavioral health organization;
- The Division of Youth Corrections;
- A designated managed service organization for the provision of treatment services for alcohol and drug abuse; and
- A domestic abuse program, if representation is available.

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The MOU may also include family resource centers. The parties of the MOU are encouraged to seek input, support, and collaboration from key stakeholders in the private and nonprofit sectors, as well as parent advocacy or family advocacy organizations that represent family members or caregivers of children who would benefit from multi-agency services. MOUs must specify the legal responsibilities, funding sources, and services that may be provided. Services may include, but are not limited to: prevention, intervention, and treatment services; family preservation services; family stabilization services; out-of-home placement services; service for children at imminent risk of out-of-home placement; probation services; services for children with mental illness; public assistance services; medical assistance services; and child welfare services.

The local CMP is governed by an interagency oversight group (IOG) that includes a representative of each party of the MOU, each of whom is a voting member. The following nonvoting members may also be a part of the oversight group:

- Representatives of interested local private sector entities;
- Family members or caregivers of children who would benefit from or have received integrated multi-agency services.

The IOG is required to develop collaborative management processes to be utilized by individualized service and support teams when providing services to children and families. Section 24-1.9-102, C.R.S. states that these processes shall address risk-sharing, resource-pooling, performance expectations, outcome-monitoring, and staff-training and shall be designed to:

- Reduce duplication and eliminate fragmentation of services provided to children or families;
- Increase the quality, appropriateness, and effectiveness of services delivered to children and families who would benefit from integrated multi-agency services to achieve better outcomes;
- Encourage cost-sharing among service providers.

The Department is responsible for specifying performance measures, determining methodology for the allocation of incentive funds, providing training, and overseeing an external evaluation. County programs are required to establish a collaborative management process that addresses: risk-sharing, resource-pooling, performance expectations, outcome-monitoring, and staff training.

***Performance Measures***

As mentioned previously, the Department is responsible for specifying performance measures, however the November 2014 performance audit performed by the Office of the State Auditor, indicates that county-level programs selected 128 different performance measures for FY 2013. For the purposes of state-wide evaluation and cross county comparisons, the counties are asked to select one of four specifically identified measures in each of the four primary service domains of child welfare, juvenile justice, education, and health/mental health; however a county does not need to select the same measure every year. Due to the flexibility in local program development, depending upon the needs of the community the CMP serves, the degree to which a given measure reflects the impact of the CMP services may vary. Counties may also select additional incentivized measures.

**Funding**

The number of collaborative management programs has grown significantly in the last several years. As of FY 2014-15, 38 counties are participating in collaboratives, including all ten of the largest counties. Participating entities may agree to attempt to meet certain performance measures, specified by the Department and the Board of Human Services. Local interagency groups that choose this option are eligible to receive incentive moneys. Incentive moneys, which are allocated by the Department to those interagency groups that meet or exceed the specified performance measures, are to be reinvested in services for children and families.

In addition, parties to an MOU are to create a procedure to allow General Fund savings, realized as a result of the MOU, to be reinvested in services for children and families. General Fund savings associated with the program that will be retained by participating counties are to be determined based on rules established by the State Board of Human Services. This mechanism, as implemented in the Child Welfare Services line item, often has a substantial fiscal impact on participating counties, as it enables them to keep unspent portions of their child welfare services funding allocations. In FY 2013-14, seven counties elected to retain General Fund savings.

The CMP is funded from the Performance-based Collaborative Management Incentive Cash Fund. The fund consists of moneys received from docket fees in civil actions transferred pursuant to Section 13-32-101 (5) (a), C.R.S. For FY 2007-08, the Performance Incentive Cash Fund was repealed and all moneys in the fund were transferred into the Performance-based Collaborative Management Incentive Cash Fund. In addition, the fund received transfers from the family stabilization services fund. Current program appropriation levels exceed the annual fund revenue of approximately \$200,000 per year.

Allocations to counties are determined through a formula made up of variables including: the meaningful minimum; the number of performance measures the county-level reported meeting; the proportion of child welfare population served the program; and the size of the county. The meaningful minimum is a set amount depending on the size of the county (\$33,500 for the ten large counties, and \$25,500 for the remaining counties). Counties earn the meaningful minimum by meeting at least one performance measure. The remaining variables are weighted on a per-share basis: counties receive one share for each of the three remaining performance measures they meet; and one share for each 33.3 percent of their child welfare population they estimate will be served. Finally, large counties receive three additional shares and the balance-of-state counties receive one additional share. After accounting for the overall cost of the meaningful minimum portion of the allocation, the remaining balance in available incentive funds is divided by the total number of county shares earned. The share portion of the allocation to each county is determined by multiplying the individual share value by the number of shares each county has earned. For example, the allocation for a large county serving between 33.4 and 66.6 percent of its child welfare through its CMP and meeting three of the four performance measures would be based on the following equation:

$$\text{Allocation} = \$33,500 + X(2+2+3) \text{ and } X=Y/n, \text{ where}$$

Where X=the individual share value

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Y=the remaining balance of available incentive funds after the total meaningful minimum reduction, and  
n=the total number of earned shares for all counties

In FY 2013-14, the program appropriation was reduced from \$3.2 million to \$3.1 million cash funds; and FY 2014-15, the spending authority was reduced again to \$3.0 million cash funds to avoid over-spending available revenue. Allocations to counties have historically exceeded the available balance of the Collaborative Management Incentive Cash Fund resulting in a projected depletion of the fund. Instead of reducing the total amount allocated to counties to align with available funding, each year the distribution was delayed until such time as the revenue in the cash fund was enough to cover the counties earned incentive funds. According to the Department, an internal review of the payout process and a subsequent Attorney General ruling in FY 2013-14 indicated that the method used to pay counties was unconstitutional, as it is illegal for entities of the state to accrue debt in one fiscal year that must be paid in the next. As a result, in February 2014, the Department informed participating counties that incentive fund payments must be made to each county by September 30<sup>th</sup> of the fiscal year following the close of the year in which the incentive funds are earned. This advance in the payment date for FY 2013-14 earned incentives left an anticipated revenue shortfall in the cash fund of approximately 50.0 percent. The final result of shifting the county allocation to align with the State Constitution means that incentive funds for FYs 2012-13 and 2013-14 were distributed to counties with cash funds from one year of revenues, effectively reducing the annual allocation by half over the course of two years.

The current projection for the cash fund, reflected below, indicates that while reserves can continue to support the program at the current level through FY 2015-16, additional reductions or the identification of a new revenue source is necessary to avoid depleting the fund entirely. The Department has indicated that the revenue in the Collaborative Management Incentive Cash Fund has not kept pace with program growth due to the increase in the number of participating counties. The Department is requesting \$2.1 million General Fund and 1.8 FTE in addition to the cash fund spending authority in FY 2015-16 to provide oversight and technical assistance to the counties and ensure adequate funding levels for CMPs.

<b>Performance-based Collaborative Management Incentive Cash Fund*</b>							
	<b>Actual FY 09-10</b>	<b>Actual FY 10-11</b>	<b>Actual FY 11-12</b>	<b>Actual FY 12-13</b>	<b>Actual FY 13-14</b>	<b>Approp. FY 14-15</b>	<b>Request FY 15-16</b>
Cash balance beginning of year	\$2,171,861	\$1,604,839	\$1,077,947	\$684,611	\$449,556	\$190,456	\$280,349
Actual/anticipated cash inflow	2,832,202	2,883,760	2,823,245	2,803,731	2,784,190	2,793,961	2,793,961
Actual/appropriated cash outflow	3,399,224	3,410,652	3,216,580	3,038,786	3,043,291	3,000,000	3,000,000
Changes from prior year fund balance	(567,022)	(526,892)	(393,335)	(235,055)	(259,101)	(89,894)	(206,039)
Actual/anticipated liquid fund balance	\$1,604,839	\$1,077,947	\$684,612	\$449,556	\$190,456	\$280,349	\$74,310

\*The above figures are from the Schedule 9: Cash Funds Reports provided by the Department of Human Services.

***Evaluation***

According to the Department, statewide evaluation of the overall CMP has proven difficult as the services that are provided through multiple agencies are reported at the local level and on local software programs. The Department reports that for confidentiality reasons, local providers do not have access to the Colorado Trails system making it difficult for the Department and the contracted evaluator to monitor outcomes and savings generated from reduced costs. Through the increase in FTE, the Department intends to increase oversight of the program to ensure that it operates according to statutory requirements and regulations by assessing if the program:

- Serves children/youth involved with multiple agencies;
- Reinvests cost savings in local CMPs;
- Reduces duplication and fragmentation of services provided;
- Increases quality, effectiveness, and appropriateness of services delivered to children, youth, and families;
- Maximizes cost savings that may have occurred by collaboratively managing the multi-agency services provided through the individualized service and support teams; and
- Creates consistency in data collection.

Pursuant to Section 24-1.9-102 (2) (i) the MOU must include a provision stating whether the parties to the memorandum of understanding will attempt to meet performance measures specified by the DHS and elements of collaborative management, as defined by rule of the state board of human services. If the parties agree to attempt to meet the performance measures and elements of collaborative management, the MOU must require the IOG to create a procedure, subject to the approval of the head or director of each agency represented in the MOU to allow any incentive moneys allocated to the collaborative to be reinvested by the parties to the MOU to provide appropriate services to children and families who would benefit from integrated multi-agency services. Allocation of incentive funds shall be to counties that have successfully implemented the elements of collaborative management specified by rule of the state board and also meet or exceeded the **performance measures specified by the Department**. The departments and agencies that provide oversight to the parties to the MOU are authorized to issue waivers of any rules to which the departments and agencies are subject and that would prevent the departments from effective implementation of the MOU; however, the departments and agencies are prohibited from waiving a rule in violation of federal law or that would compromise the safety of a child.

Statute authorizes the Department to utilize moneys in the Performance-based Collaborative Management Incentive Cash Fund for ongoing external evaluations of the counties participating in the program, and of counties that choose not to participate. Each county that chooses to participate in the CMP must participate in the annual external evaluation. Development of the evaluation criteria must be based on input from the counties, agencies represented in the MOU, participating stakeholders in the private and nonprofit sector, and participating parent or family advocacy organizations that represent family members or caregivers of children who would benefit from multi-agency services participating in the CMP (Section 24-1.9-102.5, C.R.S.). The Department is authorized to perform an evaluation pursuant to this section on an ongoing basis as needed and as determined by the Department and subject to available appropriations. Technical assistance is provided to counties by the Department and Section 24-1.9-102.7

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requires that training identify management strategies to collaborate effectively and efficiently to share resources or to manage and integrate the treatment and service provided to children and families receiving collaborative management services.

<b>Summary of Collaborative Management Program Participation</b>			
Fiscal Year	Large County participation	Remaining County participation	Number of Youth or Families Served
FY 2005-06	0	0	Unavailable
FY 2006-07	6	0	Unavailable
FY 2007-08	7	3	Unavailable
FY 2008-09	7	10	10,290
FY 2009-10	8	16	Unavailable
FY 2010-11	10	17	19,600
FY 2011-12	10	20	20,800
FY 2012-13	10	22	20,500

**Staff Concerns**

On November 12, 2014, the Office of the State Auditor released the performance audit report on child welfare programs in the Department of Human Services. One component of this report covered the Collaborative Management Program (CMP). The audit contained the following recommendations pertaining to the CMP:

- **Collaborative Management Program (CMP)** – The Department should improve its oversight of the program.
- **General Fund Savings** – The Department should improve its management of general fund savings from the CMP by
  - Working with the State Board of Human Services to promulgate a rule to determine general fund saving resulting from the CMP;
  - Discontinuing the practice of requiring county-level programs to elect either a savings or surplus distribution in their memoranda of understanding; and
  - Seeking further legal guidance on the use of surplus funds for distributing general fund savings, and proposing legislative change to establish a mechanism for distributing general fund savings.
- **Data management and program accountability** – The Department should improve accountability for the CMP by:
  - Requesting an opinion from the Office of the Attorney General on whether the Department is exercising its full authority as permitted in current statute and ensure that practice is consistent with the opinion;
  - Developing improved data collection and reporting protocols for programmatic and expenditure data and requiring all county departments that participate in county-level programs to comply with them; and
  - Assessing options for implementing a single data system to maintain CMP data.
- **Ensuring program outcomes** – Given the shortcomings of the CMP, the auditors were unable to draw any conclusions as to whether the CMP is effective in accomplishing its statutory purpose.

The report also states that the contracted evaluator recommended that the Department consider standardizing several key areas of the CMP, including: Department-specified performance and standardized outcome measures to establish what the uniform CMP should achieve and allow outcomes to be compared with outcomes for non-CMP counties; a defined target population that would benefit from collaborative management efforts and achieve the outcomes intended by legislation; and core data elements and clear data collection expectations.

### **STAFF RECOMMENDATION**

If the Committee would like to continue funding this program, staff recommends that the Committee consider sponsoring legislation that:

- Defines the infrastructure and specifies components of the **uniform system of collaborative management** to ensure statewide program consistency;
- Clearly defines the target population of the program;
- Requires the Department to specify the performance measures that are evaluated and incentivized and remove all local performance measures from the state-wide reporting process; and include language that states that this expectation will not preclude local collaboratives from monitoring additional local measures;
- Strengthens the language in statute concerning the evaluation of the program to include guidance on what should be considered when allocating incentive funds;
- Establishes an interagency team that reviews and approves each county's annual MOU;
- Requires the Department to substantially modify the incentive fund formula to eliminate the weighted distribution of incentive funds related to county size and ensure that it is based on actual number of children served rather than estimates; and
- Provides an option for interagency oversight groups to designate one of the following as the fiscal agent for the receipt of incentive fund allocations: county department of human/social services, a local school district, or a designated mental health organization.

## **Issue: Provider Rate Increase**

Provider rate increases apply to community programs and services provided by contracted providers or county staff. The following has been provided as an informational brief to the Committee.

### **DISCUSSION**

The Department has requested \$7.2 million total funds, including \$4.2 million General Fund in FY 2015-16 and beyond for a 1.0 percent increase for contracted providers. Provider rate increases apply to community programs and services provided by contracted providers or county staff. The following has been provided as an informational brief to the Committee.

#### **Background Information**

The Joint Budget Committee has historically made a determination on a common figure setting policy to be applied for community provider rate increases. In some divisions of the Department of Human Services, however, increases are applied to line items that are distributed through county block grants and provider rates are negotiated independently by each county. Statute varies with regard to how provider rates are handled in these divisions:

- Child Protection Ombudsman: No specific statute addresses provider rate increases in this office.
- County Administration: No specific statute addresses provider rate increases in this division.
- Division of Child Welfare:
  - Section 26-5-104 (6) (a), C.R.S.: “a county shall be authorized to negotiate rates, services, and outcomes with providers if the county has a request for proposal process in effect for soliciting bids from providers or another mechanism for evaluating the rates, services, and outcomes that it is negotiating with such providers that is acceptable to the state department.”
  - Section 26-5-104 (6) (c), C.R.S.: “a county that negotiates or renegotiates rates, services, and outcomes pursuant to paragraph (a) of this subsection (6) shall include as part of such negotiations or renegotiations cost of living adjustments and provider rate increases approved by the general assembly.”
- Office of Early Childhood
  - Colorado Child Care Assistance Program
    - Section 26-2-803 (4), C.R.S.: “after notice to the state department, a county may opt out of adhering to the state department provider rates and negotiate its own rates with such providers.”
    - Section 26-2-804 (1) (d), C.R.S.: In determining the county’s block grant, the department shall consider factors that include “provider rates in the county.”
  - Early Intervention
    - No specific statute addresses provider rate increases in this program.

Counties may consider the following factors in negotiation and renegotiation of rates:

- Caps on allocations for services,
- Rising caseloads,
- Market rates for each provider-type in the county,

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- Supply/demand,
- Policies that respond to market conditions,
- Policies that govern the allocation process,
- Outcome measures that vary in complexity, breadth, and substance between provider types,
- The performance of each provider, and
- Relative ease or difficulty in accessing services in a local community, and
- Term of contract and contract renewal date.

The following table provides a brief summary of Department practice for each division.

<b>Department of Human Services Provider Rate Determination</b>		
<b>Division/Office</b>	<b>Department Practice (provided by Department)</b>	<b>County Practice (provided by County representatives)</b>
Child Protection Ombudsman	The Department contracts the ombudsman directly and therefor has the authority to pass the increase on to the provider. The increase can occur upon the negotiation of each new contract.	NA
County Administration	The county provider rate increase was applied directly to the County Administration line item. Data pertaining to the amount that each county passes onto local providers is not readily available. Funds are provided to the counties through this allocation, and counties are requested and anticipated to pass the funds to providers. In order to identify the impact and direct service results of this rate increase, a comprehensive information request would need to be submitted to every county across the state.	The appropriation recognizes county eligibility staff as providers of services to the counties and the staff. Increases in this line are intended to deliver funding increases reflective of increasing costs to counties for these staff. County staff compensation is controlled each county's personnel system, and therefore no automatic pay increases are triggered by new funding for this appropriation.
Division of Child Welfare	All counties that have a rate negotiation methodology approved by the Department are authorized to negotiate rates with providers based on the needs of the child. All other counties will use the State Base Anchor Rate in Trails, which includes the provider rate increase. Forty-seven counties currently have approved rate negotiation methodologies. They are Adams, Alamosa, Arapahoe, Archuleta, Bent, Boulder, Broomfield, Cheyenne, Clear Creek, Conejos, Costilla, Crowley, Delta, Denver, Douglas, Eagle, Elbert, El Paso, Fremont, Garfield, Gilpin, Gunnison, Hinsdale, Huerfano, Jefferson, Kit Carson, Lake, La Plata, Larimer, Las Animas, Lincoln, Logan, Mesa, Mineral, Moffat, Montrose, Morgan, Otero, Park, Prowers, Pueblo, Rio Blanco, Rio Grande, San Juan, Teller, Weld, and Yuma counties. Twenty-three counties with an approved rate negotiation methodology indicated they would pass along a legislated provider rate increase. The remaining twenty-four counties have documented a legislative provider rate increase will be included in the negotiation process. Counties are authorized to spend their capped allocation without	<b>Child Welfare Services:</b> Provider rate increase funding is calculated on the portion of the Child Welfare Services appropriation that has been used to pay for out-of-home services (residential facilities, child placement agencies, family foster homes, etc.), to pay for some other services to families involved in child welfare and to provide increases to funding for county casework staff. County departments negotiate rates with providers of placement services and the rate negotiation methodology is reviewed and approved by the state department. When rate negotiations occur, provider rate increases are not automatic, but are considered in rate negotiations or renegotiations between the county and the provider. Placement provider rates are automatically increased for rates set by the state department. Counties negotiate rates for other service providers, and in this case, rate increases are considered upon renewal of any agreement. <b>Core Services:</b> Provider rate increase funding is calculated on the portion of funding that is associated with purchase of services from community providers, as well as county staff delivering or managing services to families. Generally, counties pay the prevailing rates for services on behalf of clients, although it is also a

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	<p>categorical restriction on the provision of Child Welfare Services. Child Welfare Services funds, such as provider rate increases, are distributed to counties via their Child Welfare Services Allocation. The number of children served in Child Welfare is not dependent on the budget; it is dependent on the number of children in need of Child Welfare Services.</p>	<p>practice in the counties to negotiate service configurations and the associated rates. Because this is an ongoing marketplace, counties absorb rate increases over time, which are later funded through a provider rate increase from the legislature.</p>
<p>Office of Early Childhood, CCCAP</p>	<p>Rates are negotiated independently by each county. Counties may or may not elect to increase the rate in response to an increase in the allocation. The Department cannot specifically identify if a provider rate was increased in response to budgetary action or some other factor.</p>	<p>Provider rates are set by counties according to statutory provisions and in accordance with other regulatory guidance. This allows counties to address local market conditions, as well as assist in managing the program within available resources. Provider rate increase funding allows counties to align their rates with the local market over time, but the event of new funding for provider rates does not increase county-set rates. If the state department sets child care rates, those are automatically increased when funding for provider rate increases are appropriated.</p>
<p>Office of Early Childhood, Early Intervention Services and Early Intervention Services Case Management</p>	<p>Early Intervention (EI) passed the rate increase in total through an increase in the allocation to Community Centered Boards (CCBs) and advised the EI programs to pass the rate increase on to their providers. The Department does not have a report on whether those increases occurred or the extent thereof.</p>	<p>NA</p>

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**Appendix A: Number Pages**

	<b>FY 2012-13 Actual</b>	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Appropriation</b>	<b>FY 2015-16 Request</b>	<b>Request vs. Appropriation</b>
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**DEPARTMENT OF HUMAN SERVICES**  
**Reggie Bicha, Executive Director**

**(4) COUNTY ADMINISTRATION**

This section contains appropriations for 64 county departments of social services to administer the Supplemental Nutrition Assistance Program (food stamps); and provides funding to assist counties with the highest costs and lowest property tax values in meeting the obligation of the local match required by the state for certain public assistance programs. County administration for Medicaid programs is appropriated to the Department of Health Care Policy and Financing.

County Administration	<u>50,346,064</u>	<u>51,816,687</u>	<u>57,441,793</u>	<u>55,996,211</u> *
General Fund	20,053,339	19,606,080	19,938,121	19,531,502
Cash Funds	9,193,456	9,137,101	10,662,504	10,365,129
Federal Funds	21,099,269	23,073,506	26,841,168	26,099,580
Food Assistance Administration	<u>4,715,280</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	1,414,584	0	0	0
Cash Funds	943,056	0	0	0
Federal Funds	2,357,640	0	0	0
County Tax Base Relief	<u>1,762,511</u>	<u>2,697,803</u>	<u>3,879,756</u>	<u>3,879,756</u>
General Fund	1,762,511	2,697,803	3,879,756	3,879,756
County Share of Offsetting Revenues	<u>2,963,460</u>	<u>3,105,773</u>	<u>2,986,000</u>	<u>2,986,000</u>
Cash Funds	2,963,460	3,105,773	2,986,000	2,986,000
County Incentive Payments	<u>4,324,486</u>	<u>4,232,323</u>	<u>4,113,000</u>	<u>4,113,000</u>
Cash Funds	4,324,486	4,232,323	4,113,000	4,113,000

\*This line item contains a decision item.

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	<b>FY 2012-13 Actual</b>	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Appropriation</b>	<b>FY 2015-16 Request</b>	<b>Request vs. Appropriation</b>
<b>TOTAL - (4) County Administration</b>	64,111,801	61,852,586	68,420,549	66,974,967	(2.1%)
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
General Fund	23,230,434	22,303,883	23,817,877	23,411,258	(1.7%)
Cash Funds	17,424,458	16,475,197	17,761,504	17,464,129	(1.7%)
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	23,456,909	23,073,506	26,841,168	26,099,580	(2.8%)

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	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	Request vs. Appropriation
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**(5) DIVISION OF CHILD WELFARE**

This division provides funding and state staff associated with the state supervision and county administration of programs that protect children from harm and assist families in caring for and protecting their children. Funding also supports training for county and state staff, direct care service providers (e.g. foster parents), and court personnel. Cash funds sources include county tax revenues, grants and donations, federal Title IV-E funds, and amounts from the Collaborative Management Incentives Cash Fund (primarily from civil docket fees). Reappropriated funds are Medicaid funds transferred from the Department of Health Care Policy and Financing.

Administration	<u>1,677,810</u>	<u>5,993,212</u>	<u>5,727,130</u>	<u>6,239,923</u> *
FTE	36.4	53.0	61.8	64.5
General Fund	865,048	5,010,578	4,693,356	5,118,527
Reappropriated Funds	119,414	119,426	137,306	140,806
Federal Funds	693,348	863,208	896,468	980,590
Training	<u>5,492,238</u>	<u>5,239,910</u>	<u>6,551,963</u>	<u>6,565,978</u> *
FTE	4.7	5.4	6.0	6.9
General Fund	2,379,989	2,112,918	3,253,049	3,345,854
Cash Funds	37,230	37,230	137,230	37,230
Federal Funds	3,075,019	3,089,762	3,161,684	3,182,894
Foster and Adoptive Parent Recruitment, Training, and Support	<u>296,698</u>	<u>259,358</u>	<u>336,932</u>	<u>339,253</u>
FTE	1.1	1.1	1.0	1.0
General Fund	229,531	189,341	269,491	271,812
Federal Funds	67,167	70,017	67,441	67,441

\*This line item contains a decision item.

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	<b>FY 2012-13 Actual</b>	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Appropriation</b>	<b>FY 2015-16 Request</b>	<b>Request vs. Appropriation</b>
Child Welfare Services	<u>326,528,095</u>	<u>341,746,753</u>	<u>347,861,307</u>	<u>359,216,595</u>	*
General Fund	167,853,109	177,777,462	177,361,069	185,421,830	
Cash Funds	60,730,814	62,068,186	66,864,034	69,084,359	
Reappropriated Funds	8,427,164	14,579,137	14,943,615	15,093,051	
Federal Funds	89,517,008	87,321,968	88,692,589	89,617,355	
Excess Federal Title IV-E Distributions for Related County Administrative Functions	<u>17</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Cash Funds	17	0	0	0	
Title IV-E Waiver and Evaluation Development	<u>129,860</u>	<u>374,999</u>	<u>500,018</u>	<u>500,018</u>	
General Fund	64,930	124,990	250,009	250,009	
Federal Funds	64,930	250,009	250,009	250,009	
Title IV-E Waiver Demonstration	<u>0</u>	<u>0</u>	<u>6,000,000</u>	<u>6,000,000</u>	
Cash Funds	0	0	6,000,000	6,000,000	
Family and Children's Programs	<u>46,067,087</u>	<u>49,548,998</u>	<u>53,100,326</u>	<u>53,631,330</u>	*
General Fund	34,923,362	41,185,564	44,477,865	44,922,644	
Cash Funds	5,113,437	5,292,541	5,551,568	5,607,084	
Federal Funds	6,030,288	3,070,893	3,070,893	3,101,602	
Performance-based Collaborative Management Incentives	<u>3,038,786</u>	<u>3,043,291</u>	<u>3,000,000</u>	<u>5,115,007.18</u>	*
General Fund	0	0	0	2,115,007	
Cash Funds	3,038,786	3,043,291	3,000,000	3,000,000	

\*This line item contains a decision item.

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	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	Request vs. Appropriation
Independent Living Programs	<u>3,388,389</u>	<u>2,339,243</u>	<u>2,826,582</u>	<u>2,837,040</u>	
FTE	3.7	3.7	4.0	4.0	
Federal Funds	3,388,389	2,339,243	2,826,582	2,837,040	
Promoting Safe and Stable Families Program	<u>4,691,474</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	2.1	0.0	0.0	0.0	
General Fund	46,288	0	0	0	
Cash Funds	1,064,160	0	0	0	
Federal Funds	3,581,026	0	0	0	
Federal Child Abuse Prevention and Treatment Act Grant	<u>365,572</u>	<u>330,871</u>	<u>442,658</u>	<u>444,819</u>	
FTE	3.2	2.5	3.0	3.0	
Federal Funds	365,572	330,871	442,658	444,819	
Community-based Child Abuse Prevention Services	<u>692,935</u>	<u>3,320,525</u>	<u>7,403,969</u>	<u>7,403,969</u>	
FTE	0.0	0.9	3.0	3.0	
General Fund	692,935	3,320,525	7,403,969	7,403,969	
Hotline for Child Abuse and Neglect	<u>0</u>	<u>906,900</u>	<u>4,591,700</u>	<u>4,595,643</u>	
FTE	0.0	0.0	5.6	6.0	
General Fund	0	902,660	4,536,703	4,540,646	
Federal Funds	0	4,240	54,997	54,997	
Workforce Tools - Mobile Computing Technology	<u>0</u>	<u>76,532</u>	<u>723,000</u>	<u>0</u>	
General Fund	0	0	600,090	0	
Federal Funds	0	76,532	122,910	0	

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	<b>FY 2012-13 Actual</b>	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Appropriation</b>	<b>FY 2015-16 Request</b>	<b>Request vs. Appropriation</b>
Public Awareness Campaign for Child Welfare	<u>0</u>	<u>0</u>	<u>1,804,050</u>	<u>1,599,250</u>	
FTE	0.0	0.0	1.0	1.0	
General Fund	0	0	1,804,050	1,599,250	
Workload Study	<u>0</u>	<u>440,269</u>	<u>0</u>	<u>0</u>	
General Fund	0	360,615	0	0	
Federal Funds	0	79,654	0	0	
Interagency Prevention Programs Coordination	<u>0</u>	<u>112,679</u>	<u>133,284</u>	<u>133,284</u>	
FTE	0.0	1.3	1.0	1.0	
General Fund	0	112,679	133,284	133,284	
Tony Gramscas Youth Services Program	<u>0</u>	<u>5,032,029</u>	<u>7,060,499</u>	<u>7,063,928</u>	
FTE	0.0	2.6	3.0	3.0	
General Fund	0	1,453,849	1,453,849	1,457,278	
Cash Funds	0	3,578,180	5,606,650	5,606,650	
Prevention and Early-Intervention for at Risk Youth	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,651,107</u> *	
General Fund	0	0	0	1,651,107	
<b>TOTAL - (5) Division of Child Welfare</b>	392,368,961	418,765,569	448,063,418	463,337,144	3.4%
<b>FTE</b>	<u>51.2</u>	<u>70.5</u>	<u>89.4</u>	<u>95.2</u>	<u>6.5%</u>
General Fund	207,055,192	232,551,181	246,236,784	258,231,217	4.9%
Cash Funds	69,984,444	74,019,428	87,159,482	89,335,323	2.5%
Reappropriated Funds	8,546,578	14,698,563	15,080,921	15,233,857	1.0%
Federal Funds	106,782,747	97,496,397	99,586,231	100,536,747	1.0%

\*This line item contains a decision item.

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	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	Request vs. Appropriation
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**(6) OFFICE OF EARLY CHILDHOOD**

This section provides funding and state staff associated with the state supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP); for the administration of various child care grant programs; and for licensing and monitoring of child care facilities. In addition, this section provides funding to organizations that provide early childhood mental health services and early intervention services and case management. Cash funds appropriations reflect expenditures by counties, fees and fines associated with the licensing of child care facilities, and funds from the Early Intervention Services Trust Fund. Federal funds reflect moneys from Child Care Development Funds, which the General Assembly has authority to appropriate pursuant to federal law; and funds received from Part C of the federal Individuals with Disabilities Education Improvement Act. Reappropriated funds are Medicaid funds transferred from the Department of Health Care Policy and Financing.

**(A) Division of Early Care and Learning**

Promoting Safe and Stable Families Program	<u>0</u>	<u>4,265,057</u>	<u>4,467,622</u>	<u>4,475,142</u>	
FTE	0.0	2.4	2.0	2.0	
General Fund	0	50,265	53,001	54,882	
Cash Funds	0	1,064,160	1,064,160	1,064,160	
Federal Funds	0	3,150,632	3,350,461	3,356,100	
 Child Care Licensing and Administration	 <u>0</u>	 <u>5,045,207</u>	 <u>6,775,055</u>	 <u>7,204,146</u>	 *
FTE	0.0	47.2	52.0	52.0	
General Fund	0	1,012,529	2,381,549	2,450,786	
Cash Funds	0	688,772	838,250	849,004	
Federal Funds	0	3,343,906	3,555,256	3,904,356	
 Fine Assessed Against Licenses	 <u>0</u>	 <u>51,662</u>	 <u>20,000</u>	 <u>20,000</u>	
Cash Funds	0	51,662	20,000	20,000	

\*This line item contains a decision item.

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	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	Request vs. Appropriation
Child Care Assistance Program	0	<u>71,148,153</u>	<u>88,082,634 1.0</u>	<u>88,321,361 1.0</u>	*
General Fund	0	13,604,221	23,498,784	23,103,672	
Cash Funds	0	9,366,274	9,599,282	9,695,275	
Reappropriated Funds	0	0	1,200,000	1,200,000	
Federal Funds	0	48,177,658	53,784,568	54,322,414	
Colorado Child Care Assistance Program Market Rate Study	0	0	<u>255,000</u>	<u>55,000</u>	
General Fund	0	0	255,000	55,000	
Child Care Grants for Quality and Availability and Federal Targeted Funds Requirements	0	<u>6,298,195</u>	<u>8,670,827</u>	<u>8,670,827</u>	
FTE	0.0	0.9	1.0	1.0	
General Fund	0	2,865,388	4,757,755	4,757,755	
Cash Funds	0	0	439,439	439,439	
Federal Funds	0	3,432,807	3,473,633	3,473,633	
School-readiness Quality Improvement Program	0	<u>2,221,295</u>	<u>2,228,586</u>	<u>2,228,586</u>	
FTE	0.0	0.6	1.0	1.0	
Federal Funds	0	2,221,295	2,228,586	2,228,586	
Early Literacy Book Distribution Partnership	0	0	<u>100,000</u>	<u>100,000</u>	
General Fund	0	0	100,000	100,000	
Micro Loans to Increase Access to Child Care	0	0	0	<u>338,200</u>	*
General Fund	0	0	0	338,200	
Micro Grants to Increase Access to Child Care	0	0	0	<u>250,000</u>	*
General Fund	0	0	0	250,000	

\*This line item contains a decision item.

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	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	Request vs. Appropriation
<b>SUBTOTAL - (A) Division of Early Care and Learning</b>	0	89,029,569	110,599,724	111,663,262	1.0%
<i>FTE</i>	<u>0.0</u>	<u>51.1</u>	<u>57.0</u>	<u>57.0</u>	<u>0.0%</u>
General Fund	0	17,532,403	31,046,089	31,110,295	0.2%
Cash Funds	0	11,170,868	11,961,131	12,067,878	0.9%
Reappropriated Funds	0	0	1,200,000	1,200,000	0.0%
Federal Funds	0	60,326,298	66,392,504	67,285,089	1.3%

**(B) Division of Community and Family Support**

Early Childhood Councils	<u>0</u>	<u>1,978,230</u>	<u>1,981,756</u>	<u>1,984,169</u>	
FTE	0.0	0.3	1.0	1.0	
Federal Funds	0	1,978,230	1,981,756	1,984,169	
Early Childhood Mental Health Services	<u>0</u>	<u>2,319,548</u>	<u>1,220,906</u>	<u>1,232,871</u>	*
FTE	0.0	0.3	0.2	0.2	
General Fund	0	2,319,548	1,220,906	1,232,871	
Early Intervention Services	<u>0</u>	<u>36,231,129</u>	<u>36,495,892</u>	<u>38,724,439</u>	*
FTE	0.0	8.7	6.5	6.5	
General Fund	0	17,177,704	17,558,592	18,631,048	
Cash Funds	0	9,108,617	10,895,900	11,611,906	
Federal Funds	0	9,944,808	8,041,400	8,481,485	
Early Intervention Services Case Management	<u>0</u>	<u>2,731,511</u>	<u>8,113,972</u>	<u>8,639,241</u>	*
General Fund	0	2,731,511	2,845,073	3,028,449	
Reappropriated Funds	0	0	5,268,899	5,610,792	

\*This line item contains a decision item.

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	<b>FY 2012-13 Actual</b>	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Appropriation</b>	<b>FY 2015-16 Request</b>	<b>Request vs. Appropriation</b>
Colorado Children's Trust Fund	<u>0</u>	<u>448,270</u>	<u>1,114,514</u>	<u>1,118,048</u>	
FTE	0.0	2.3	1.5	1.5	
Cash Funds	0	279,753	470,914	474,448	
Federal Funds	0	168,517	643,600	643,600	
Nurse Home Visitor Program	<u>0</u>	<u>15,817,104</u>	<u>14,549,622</u>	<u>14,552,556</u>	
FTE	0.0	2.0	3.0	3.0	
Cash Funds	0	13,765,529	14,345,022	14,347,956	
Federal Funds	0	2,051,575	204,600	204,600	
<b>SUBTOTAL - (B) Division of Community and Family Support</b>	<u>0</u>	<u>59,525,792</u>	<u>63,476,662</u>	<u>66,251,324</u>	<u>4.4%</u>
FTE	<u>0.0</u>	<u>13.6</u>	<u>12.2</u>	<u>12.2</u>	<u>0.0%</u>
General Fund	0	22,228,763	21,624,571	22,892,368	5.9%
Cash Funds	0	23,153,899	25,711,836	26,434,310	2.8%
Reappropriated Funds	0	0	5,268,899	5,610,792	6.5%
Federal Funds	0	14,143,130	10,871,356	11,313,854	4.1%
<b>TOTAL - (6) Office of Early Childhood</b>	<u>0</u>	<u>148,555,361</u>	<u>174,076,386</u>	<u>177,914,586</u>	<u>2.2%</u>
FTE	<u>0.0</u>	<u>64.7</u>	<u>69.2</u>	<u>69.2</u>	<u>0.0%</u>
General Fund	0	39,761,166	52,670,660	54,002,663	2.5%
Cash Funds	0	34,324,767	37,672,967	38,502,188	2.2%
Reappropriated Funds	0	0	6,468,899	6,810,792	5.3%
Federal Funds	0	74,469,428	77,263,860	78,598,943	1.7%

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	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	Request vs. Appropriation
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**(6) DIVISION OF CHILD CARE**

This section provides funding and state staff associated with the state supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP), through which counties provide child care subsidies to low income families and families transitioning from the Colorado Works Program. In addition, this section provides funding and state staff for the administration of various child care grant programs, and for licensing and monitoring child care facilities. Cash funds appropriations reflect expenditures by counties and fees and fines associated with the licensing of child care facilities. Federal funds primarily reflect Child Care Development Funds, which the General Assembly has authority to appropriate pursuant to federal law.

Child Care Licensing and Administration	<u>6,413,070</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	59.8	0.0	0.0	0.0
General Fund	2,240,687	0	0	0
Cash Funds	639,539	0	0	0
Federal Funds	3,532,844	0	0	0
Fines Assessed Against Licensees	<u>51</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	51	0	0	0
Child Care Assistance Program	<u>68,342,157</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	13,604,221	0	0	0
Cash Funds	9,182,622	0	0	0
Federal Funds	45,555,314	0	0	0
Grants to Improve the Quality and Availability of Child Care and to Comply with Federal Targeted Funds Requirements	<u>3,473,633</u>	<u>0</u>	<u>0</u>	<u>0</u>
Federal Funds	3,473,633	0	0	0

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	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	Request vs. Appropriation
Early Childhood Councils	<u>1,978,317</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	1.9	0.0	0.0	0.0	
Federal Funds	1,978,317	0	0	0	
School-readiness Quality Improvement Program	<u>2,228,586</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	0.4	0.0	0.0	0.0	
Federal Funds	2,228,586	0	0	0	
<b>TOTAL - (6) Division of Child Care</b>	82,435,814	0	0	0	0.0%
<i>FTE</i>	<u>62.1</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
General Fund	15,844,908	0	0	0	0.0%
Cash Funds	9,822,212	0	0	0	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	56,768,694	0	0	0	0.0%
<b>TOTAL - Department of Human Services</b>	538,916,576	629,173,516	690,560,353	708,226,697	2.6%
<i>FTE</i>	<u>113.3</u>	<u>135.2</u>	<u>158.6</u>	<u>164.4</u>	<u>3.7%</u>
General Fund	246,130,534	294,616,230	322,725,321	335,645,138	4.0%
Cash Funds	97,231,114	124,819,392	142,593,953	145,301,640	1.9%
Reappropriated Funds	8,546,578	14,698,563	21,549,820	22,044,649	2.3%
Federal Funds	187,008,350	195,039,331	203,691,259	205,235,270	0.8%

## **Appendix B: Recent Legislation Affecting Department Budget**

**(County Administration, Division of Child Welfare, Office of Early Childhood)**

### **2013 Session Bills**

**S.B. 13-047 (Youth in Foster Care and Identity Theft Protection):** Clarifies and expands the role of counties and the Department in obtaining and remediating inaccuracies in credit reports for youths in foster care. Appropriates \$26,200 total funds, of which \$19,650 is General Fund to the Department.

Creates a new class of protections for at-risk elders and requires mandatory reporters listed in statute to report known or suspected abuse within 24 hours. Classifies the failure to make a report as a class 3 misdemeanor and requires law enforcement agencies to complete a criminal investigation when appropriate. Requires the Peace Officer Standards Training (P.O.S.T.) Board in the Department of Law to develop and implement a training curriculum to assist peace officers in recognizing and responding to incidents. Appropriates \$3,286,208 General Fund and 1.0 FTE to DHS in FY 2013-14 for the following:

- \$2.2 million for the reduction of county adult protective services caseworker caseloads;
- \$800,000 for the county provision of adult protective services to at-risk adults;
- \$86,208 and 1.0 FTE for adult protective services training and quality assurance activities; and
- \$85,000 for the provision of training to county adult protective services workers and other persons who are required to report the abuse or exploitation of an at-risk elder.

**S.B. 13-227 (Protect Rape Victim From Contact With Father):** Establishes a process for victims who conceive a child as a result of a sexual assault to file a petition with the court to prevent future contact with the parent who committed the sexual assault and terminate the legal parent-child relationship of the parent who committed the sexual assault. Creates a task force on children conceived by rape to study various issues and to make recommendations for protecting rape victims. Appropriates \$9,000 General Fund to the Department in FY 2013-14 for temporary staff to assist the task force.

**S.B. 13-230 (Long Bill):** General appropriations act for FY 2013-14.

**S.B. 13-255 (Statutory Changes to Child Fatality Review Teams):** Extends the look-back period for the Department of Human Services child fatality review teams determining previous involvement with the child welfare system from 2 to 3 years and defines "previous involvement" to include the provision of child welfare services as defined in state law. Expands the time period from 30 days to 55 days for DHS to complete case reviews and submit a confidential, case-specific draft report to counties involved. Requires the DHS review team to include system recommendations in its annual report to the General Assembly and the public. Appropriates

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\$63,755 and 1.0 FTE to the Department of Human Services for costs associated with the review of additional child fatality cases under the expanded look-back period.

**S.B. 13-260 (Financing of Public Schools):** Changes the "Public School Finance Act of 1994" by modifying the funding for K-12 public schools. Appropriates \$43,898 General Fund and 0.7 FTE to the Department of Human Services for FY 2013-14 to license and inspect new preschool facilities. For additional information on S.B. 13-260, see the "Recent Legislation" section at the end of the Department of Education.

**H.B. 13-1117 (Alignment of Child Development Programs):** Transfers and consolidates various child development programs into the Department of Human Services, with no impact on the current level of state spending (\$19.9 million) for these programs. Increases spending of federal funds, at the discretion of the Governor, by continuing the Early Childhood Leadership Council. Rearranges several budget line items within the 2013 Long Bill to reflect the organizational structure in DHS following the transfer. The programs transferred include the Early Childhood Leadership Council in the Governor's Office and the following programs from the Department of Public Health and Environment:

- The Nurse Home Visitor Program;
- The Tony Grampsas Youth Services Program;
- The Colorado Student Dropout Prevention and Intervention Program;
- The Colorado Before-and-After School Project;
- The Colorado Children's Trust Fund and its board; and
- The Family Resource Center Program.

**H.B. 13-1180 (Allocation of Tobacco Litigation Settlement Moneys):** Restores the distribution of tobacco master settlement agreement moneys to the Nurse Home Visitor Program, less amounts that are redirected to the Defense Account of the Tobacco Litigation Settlement Cash Fund. Appropriates \$803,330 Nursing Home Visitor Program Fund moneys to DHS in FY 2013-14.

**H.B. 13-1239 (Creation of a Statewide Youth Development Program):** Requires the board of the Tony Grampsas Youth Services Program to convene a group of interested parties to create a statewide youth development plan that identifies key issues and aligns strategic efforts to achieve positive outcome for all youths. Transfers the resources required for the youth development plan to DHS for FY 2013-14, resulting in an increase of \$133,284 General Fund and 1.0 FTE in the Department of Human Services and a decrease of \$133,284 General Fund and 2.0 FTE in the Department of Public Health and Environment.

**H.B. 13-1271 (Child Abuse Reporting Hotline and Child Welfare Rules):** Requires the Department of Human Services to establish a steering committee to develop an implementation plan for a statewide child abuse reporting hotline and specifies that the committee submit its recommendations to the executive director of the Department of Human Services and the State Board of Human Services by July 1, 2014. Requires the hotline to be operational and publicized statewide no later than January 1, 2015. Appropriates \$200,000 General Fund to the Department of Human Services in FY 2012-13, with roll-forward authority to FY 2013-14, and \$529,800 to

DHS in FY 2013-14, of which the entire amount is reappropriated to the Governor's Office of Information Technology.

**H.B. 13-1291 (Colorado Early Head Start Grant Program):** Creates the Colorado Infant and Toddler Quality and Availability Grant Program in the Department of Human Services. Appropriates \$3.0 million General Fund and 1.0 FTE to allow early childhood programs to implement a tiered reimbursement pay structure providing an increased rate of reimbursement for early childhood programs that receive moneys through the Colorado Child Care Assistance Program (CCCAP).

## **2014 Session Bills**

**S.B. 14-003 (Colorado Child Care Assistance Program):** Creates a grant program in the Department to provide funding to counties participating in the existing Cliff Effect Pilot Program under the Colorado Child Care Assistance Program (CCCAP). Counties may use grant funding to pay for costs of serving families and administrative expenses under the pilot program. Clarifies that receipt of grant funding under the pilot program does not affect a county's CCCAP block grant. Creates the Colorado Child Care Assistance Cliff Effect Pilot Program Fund, and requires DHS to develop an application process for awarding grants and report on pilot program outcomes to the General Assembly by October 1, 2019. Appropriates \$2,469,453 total funds, of which \$1,269,453 is General Fund and \$1,200,000 is reappropriated funds and 1.0 FTE to the Department for FY 2014-15.

**S.B. 14-215 (Disposition of Legal Marijuana Related Revenue):** Creates the Marijuana Tax Cash Fund (MTCF) and directs that all sales tax moneys collected by the state starting in FY 2014-15 from retail and medical marijuana be deposited in the MTCF instead of the Marijuana Cash Fund. Specifies permissible uses of moneys in the MTCF, including the following purposes relevant to the Department of Human Services (DHS):

- To provide inpatient treatment for adults who suffer from co-occurring disorders at the Colorado Mental Health Institute at Pueblo (i.e., the "Circle Program");
- For community-based programs to provide marijuana prevention and intervention services to youth;
- For local judicial-district based programs to provide marijuana prevention and intervention services to pre-adjudicated and adjudicated youth;
- To expand the provision of jail-based behavioral health services in underserved counties and to enhance the provision of jail-based behavioral health services to offenders transitioning from jail to the community to ensure continuity of care;
- For the provision of substance use disorder treatment services for adolescents and pregnant women; and
- To provide child welfare training specific to issues arising from marijuana use and abuse.

Under current law, the State Treasurer is required to annually transfer the first \$2.0 million of sales tax revenues attributable to medical marijuana to the General Fund. These transfers are intended to offset General Fund expenditures for two programs: (1) The DHS' Circle Program; and (2) Screening, brief intervention, and referral for treatment for substance abuse ("SBIRT"),

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an optional service covered under the State's Medicaid program and funded through the Department of Health Care Policy and Financing. This act continues these transfers for FY 2013-14 and FY 2014-15, and eliminates these transfers starting in FY 2015-16. Instead, the bill authorizes the General Assembly to appropriate moneys from the MTCF to support the Circle Program.

Appropriates a total of \$7,600,000 from the MTCF to DHS for FY 2014-15, including:

- \$2.0 million for the Tony Grampsas Youth Services Program for programs specifically related to the prevention and intervention of adolescent and youth marijuana use;
- \$2.0 million for the expansion and enhancement of jail-based behavioral health services;
- \$2.0 million for SB 91-94 programs related to the provision of marijuana prevention and intervention services to pre-adjudicated and adjudicated youth;
- \$1.5 million for the provision of substance use disorder treatment services for adolescents and pregnant women; and
- \$100,000 for child welfare training specific to issues arising from marijuana use and abuse.

For more information see the "Recent Legislation" section at the end of the Department of Revenue section of this report.

**H.B. 14-1238 (Supplemental Bill):** Supplemental appropriation to the Department of Human Services to modify appropriations for FY 2012-13 and FY 2013-14.

**H.B. 14-1298 (Financing of Public Schools):** Changes the "Public School Finance Act of 1994" by modifying the funding for K-12 public schools. Appropriates \$68,084 General Fund and 1.1 FTE to the Department of Human Services for FY 2014-15 to license and inspect new preschool facilities. For additional information on H.B. 14-1298, see the "Recent Legislation" section at the end of the Department of Education.

**H.B. 14-1317 (Colorado Child Care Assistance Program Changes):** Makes changes to the Colorado Child Care Assistance Program including:

- Requires the Department to set provider rates for each county every two years. Allows counties to opt out of the state-established rates and negotiate their own rates with child care providers. Counties setting their own rates must solicit feedback from various stakeholders, including early childhood councils, child care resource and referral agencies, and child care providers. By July 1, 2016, both state- and county-established rates must include a system of tiered reimbursement that provides higher reimbursement to facilities with higher quality ratings. Subject to available appropriations, DHS must contract for a study to compare private payment tuition rates for child care and CCCAP rates and determine if the CCCAP rates provide equal access as required under federal law.
- Limits the co-payment amount for CCCAP families with incomes below 100 percent of the federal poverty level (FPL) to no more than one percent of the family's gross monthly income. Requires the Department to promulgate rules outlining the formula for determining parental co-payments. The co-payment formula must gradually increase the parent share as family income approaches self-sufficiency income levels. Beginning on July 1, 2016, the

formula must include a tiered reduced copayment structure for children attending high quality care.

- Requires counties to reimburse providers for absences and holidays based on the quality rating of providers in the state's five-tier rating system.
- Requires counties to provide child care assistance to families with incomes up to 165 percent of the FPL. At their discretion, counties may serve any family so long as its income does not exceed the federal income limit of 85 percent of state median income.
- Expands the activities in which a parent may be participating in order to be eligible for CCCAP. A parent who is not employed but who is enrolled in a post-secondary education program or workforce training program is eligible for CCCAP for a period of up to two years. The bill also expands the period in which an unemployed parent is eligible while actively engaged in job search activities.
- Requires counties to directly enroll a family transitioning from the workforce program in CCCAP without requiring a separate application. If the county has a waiting list for CCCAP, they may choose to place the family on the waiting list or provide the CCCAP subsidy immediately. Families cannot be directly enrolled in CCCAP if they are leaving Colorado Works due to a program violation or no longer meet CCCAP eligibility criteria.
- Requires the Department to establish rules for the exit income eligibility level at which the county may deny benefits for that family. For counties that set their initial CCCAP income eligibility level at less than 185 percent of the FPL, the rules must require the county to set exit income eligibility level at a higher level than the initial eligibility level.
- Requires that child care be authorized based on maintaining continuity of care for children with the least disruption to the child and that the care schedule not be linked directly with a parent's employment, education, or workforce training schedule.
- Requires counties to maintain a current and accurate waiting list of parents who have inquired about receiving a CCCAP subsidy and are likely eligible for assistance based on self-reported income and eligibility criteria.
- Requires counties to request evidence on 30 days of income, but may, on a case-by-case basis, request up to 12 months if the 30 days of evidence does not accurately reflect family income.
- Appropriates \$9,922,744 total funds, of which \$8,578,187 is General Fund, \$7,032 is cash funds, \$44,529 is reappropriated funds, and \$1,292,996 is federal funds to the Department for FY 2014-15.

**H.B. 14-1336 (Long Bill):** General appropriations act for FY 2014-15. Includes provisions modifying appropriations to the Department of Human Services for FY 2013-14.

**H.B. 14-1368 (Transition Youth Developmental Disabilities to Adult Services):** Establishes a plan and appropriates funds to transfer youth into adult services for persons with IDD under Medicaid Home- and Community-Based Services (HCBS) in the Department of Health Care Policy and Financing (HCPF). The bill sets forth criteria for transition planning and instructs the State Board of Human Services and the Medical Services Board to promulgate any rules necessary to guide the transition. Creates the Child Welfare Transition Cash Fund (Fund). Adjusts the FY 2014-15 appropriation to the Department by reducing \$2,829,586 General Fund and increasing cash funds appropriation by \$2,829,586 from the Fund for FY 2014-15.

## **Appendix C:** **Update on Long Bill Footnotes & Requests for Information**

### **Long Bill Footnotes**

- 27 Department of Human Services, County Administration, County Administration –** It is the intent of the General Assembly that \$2,000,000 of the funds appropriated for this line item be a one-time appropriation for food assistance administration. Of this total, \$600,000 shall be from General Funds, \$400,000 shall be from local funds, and \$1,000,000 shall be from various federal funds.
- 28 Department of Human Services, County Administration, County Administration; and Adult Assistance Programs, Adult Protective Services, Adult Protective Services –** It is the intent of the General Assembly that any amount in the Adult Protective Services line item that is not required for the provision of adult protective services may be transferred to the County Administration line item and used to provide additional benefits under that program. It is further the intent of the General Assembly that if county spending exceeds the total appropriations from the Adult Protective Services line item, any amount in the County Administration line item that is not required for the provision of services under that program may be transferred to the Adult Protective Services line item and used to provide adult protective services.
- 29 Department of Human Services, County Administration, County Share of Offsetting Revenues –** It is the intent of the General Assembly that, pursuant to Section 26-13-108, C.R.S., the Department utilize recoveries to offset the costs of providing public assistance. This appropriation represents an estimate of the county share of such recoveries and, if the amount of the county share of such recoveries is greater than the amount reflected in this appropriation, the Department is authorized to disburse an amount in excess of this appropriation to reflect the actual county share of such recoveries.
- Comment:** For FY 2013-14, the county 20-percent share of offsetting revenue was \$3,105,773. Note that counties have considerable authority to “forgive” amounts that would otherwise be recovered for the county, state, and federal governments as they work to improve timely payment of child support by non-custodial parents.
- 30 Department of Human Services, County Administration, County Incentive Payments; Office of Self Sufficiency, Colorado Works Program, County Block Grants; Child Support Enforcement, Child Support Enforcement –** It is the intent of the General Assembly that, pursuant to Sections 26-13-108 and 26-13-112.5 (2), C.R.S., the department distribute child support incentive payments to counties. It is further the intent of the General Assembly that all of the State share of recoveries of amounts of support for public assistance recipients, less annual appropriations from this fund source for state child support enforcement operations, be distributed to counties, as described in

Section 26-13-108, C.R.S. If the total amount of the State share of recoveries is greater than the total annual appropriations from this fund source, the department is authorized to distribute to counties, for county incentive payments, the actual State share of any additional recoveries.

- 31 Department of Human Services, Division of Child Welfare** – It is the intent of the General Assembly to encourage counties to serve children in the most appropriate and least restrictive manner. For this purpose, the Department may transfer funds among all line items in this Long Bill group total for the Division of Child Welfare, except that the Department may not transfer funds from non-custodial line items to the Child Welfare Administration line item to increase funding for personal services.

**Comment:** The Department has annually transferred moneys when necessary.

- 32 Department of Human Services, Division of Child Welfare, Child Welfare Services** – It is the intent of the General Assembly that the department may hold out up to \$1,000,000 total funds in this line item for activities designed to maximize Colorado's receipt of federal funds under Title IV-E of the Social Security Act. Expenditures may include, but need not be limited to, distributions to counties for Title-IV-E-related administrative costs, incentive payments to counties for improved Title IV-E claiming, automated system changes, and/or purchase of contract services designed to help the State in maximizing Title IV-E receipts. Funds held out pursuant to this footnote shall be in addition to other amounts authorized to be held out from county child welfare services allocations.

**Comment:** The flexibility provided by this footnote provides an opportunity for the Department to maximize federal Title IV-E revenue and implement the Title IV-E waiver.

- 33 Department of Human Services, Division of Child Welfare, Child Welfare Services** – It is the intent of the General Assembly to expend in full the General Fund appropriation in this line first; and it is also the intent that the \$6,000,000 federal Temporary Assistance for Needy Families Block Grant dollars be spent last, thus allowing any unexpended federal Temporary Assistance for Needy Families Block Grant dollars to revert to the Colorado Long-term Works Reserve created in Section 26-2-721 (1), C.R.S.

- 34 Department of Human Services, Division of Child Welfare, Family and Children's Programs** – It is the intent of the General Assembly that \$4,006,949 of the funds appropriated for this line item be used to assist county departments of social services in implementing and expanding family- and community-based services for adolescents. It is the intent of the General Assembly that such services be based on a program or programs that have been demonstrated to be effective in reducing the need for higher cost residential services.

**Comment:** This targeted funding was added by the General Assembly between FY 2003-04 and FY 2005-06 with the intent of ensuring that new child welfare funding be

used as effectively as possible. The Governor has vetoed this footnote in the past (FY 2010-11) on the grounds that it violates separation of powers but also directed the Department to comply with the intent.

- 34a Department of Human Services, Division of Child Welfare, Hotline for Child Abuse and Neglect** – Of this appropriation, \$4,198,864 remains available for expenditures through June 30, 2016. It is the intent of the General Assembly that \$4,198,864 of this appropriation be used for the purpose of hotline technology, the help desk, and the hotline implementation fund.

## Requests for Information

### *Requests Applicable to the Department of Human Services*

9. **Department of Human Services, Division of Child Welfare, Hotline for Child Abuse and Neglect** – The Department is requested to provide to the Joint Budget Committee, by the first of the month following the end of each quarter, information concerning the progress of the development and implementation of the child abuse and neglect hotline reporting system, including: (a) deliverables contained in each vendor contract; (b) associated expenditures for each element; (c) progress of rule-making; and relevant outcome data, including but not limited to: (i) call volume; (ii) call duration; (iii) wait time; (iv) number of and time to complete Enhanced Screening guide performed by Help Desk staff; (v) and workload indicators of hotline administration.

**Comment:** In compliance with this request, the Department provided an update on deliverables in vendor contracts, associated expenditures for each component of the hotline for which funding was appropriated, and progress of rule-making. Specific outcome data is not yet available and is pending the full implementation of the system.

10. **Department of Human Services, Division of Child Welfare; and Totals** – The Department is requested to provide a report to the Joint Budget Committee by October 1 of each fiscal year concerning the amount of federal revenues earned by the State for the previous fiscal year, pursuant to Title IV-E of the Social Security Act, as amended; the amount of money that was expended for the previous state fiscal year, including information concerning the purposes of the expenditures; and the amount of money that was credited to the Excess Federal Title IV-E Reimbursements Cash Fund created in Section 26-1-111 (2) (d) (II) (C), C.R.S.

**Comment:** In compliance with this request, the Department has provided the following information:

- The total amount of federal revenues earned by the state in FY 2013-14 is \$78,710,809.76;
- The amount credited to the Excess Federal Title IV-E Reimbursements Cash Fund is \$412;
- The breakdown and purpose of expenditures is provided in the table on page 115.

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11. **Department of Human Services, Totals** – The Department is requested to submit annually, on or before November 1, a report to the Joint Budget Committee concerning federal Child Care Development Funds. The requested report should include the following information related to these funds for the actual, estimate, and request years: (a) the total amount of federal funds available, and anticipated to be available, to Colorado, including funds rolled forward from previous state fiscal years; (b) the amount of federal funds expended, estimated, or requested to be expended for these years by Long Bill line item; (c) the amount of funds expended, estimated, or requested to be expended for these years, by Long Bill line item where applicable, to be reported to the federal government as either maintenance of effort or matching funds associated with the expenditure of federal funds; and (d) the amount of funds expended, estimated, or requested to be expended for these years that are to be used to meet the four percent federal requirement related to quality activities and the federal requirement related to targeted funds. An update to the information on the amount of federal funds anticipated to be available and requested to be expended by Long Bill line item should be provided to the Joint Budget Committee annually on or before January 15.

**Comment:** The Department is in compliance with this request. The information is provided in the tables found on pages 117-124.

12. **Department of Human Services, Division of Child Welfare, Child Welfare Services** – The Department is requested to provide to the Joint Budget Committee, by November 1 of each year, information concerning the actual use of funds distributed through the child welfare allocation model, including data on expenses and children served by funding category. At a minimum, such data should include the following: (a) program services expenditures and the average cost per open involvement per year; (b) out-of-home placement care expenditures and the average cost per child per day; and (c) subsidized adoption expenditures and the average payment per child per day.

**Comment:** The Department has provided the following information in compliance with this request. A comparison of data for the past five years is provided on page 127.

	<b>STATE TOTALS</b>	<b>FY 2013-14</b>
	Child Population Ages 0-17	1,272,432
	Referrals (Families)	83,278
	Assessments	54,878
	Total New Involvements	10,962
	Open Involvements	35,486
	Out-of-Home Open Involvements	9,705
	Average Days per Year for Out-of-Home Open Involvements	133
b	Total Out-of-Home Placement Care Expenditures	\$86,239,958
	Total Paid days for all Out-of-Home	1,295,121
b	Average Cost per Day for all Out-of-Home Care	\$66.59
a	Program Services Expenditures	\$179,950,301
a	Average Program Service Cost per Open Involvement	\$5,071
	Number of Children Receiving Adoption Subsidy	11,575

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c	Average Cost per Child per Day for Adoption Subsidy	\$13.48
	Total Annual Adoption Subsidy Paid Days	3,155,674
c	Total Annual Subsidized Adoption Expenditures	\$42,531,151

13. **Department of Human Services, Division of Child Welfare** – The Department is requested to provide to the Joint Budget Committee, by November 1 of each year, information concerning the gross amount of payments to child welfare service providers, including amounts that were paid using revenues other than county, state, or federal tax revenues. The Department is requested to identify amounts, by source, for the last two actual fiscal years.

**Comment:** In compliance with this request, the Department has provided the following information:

Payment Type	FY 2012-13	FY 2013-14
Social Security Income*	\$5,185,743	\$3,779,700
Provider Recovery Revenue	\$76,390	\$22,012
Child Support	\$1,817,526	\$1,815,739
Parental Fees	\$3,038,179	\$2,624,992
Veteran’s Benefits	\$750	0
Parental Medical Adjustment Paid to County	\$627	\$1,380
Other Sources	\$34,844	\$60,083
<b>Total</b>	<b>\$10,154,059</b>	<b>\$8,303,907</b>

\* Social Security Income includes Supplemental Security Income (SSI), Social Security Disability Income (SSDI) and Social Security Administration (SSA).



October 30, 2014

The Honorable Crisanta Duran  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

Dear Representative Duran:

The Department of Human Services, in response to the Long Bill fiscal year FY 2014-15 Request for Information #9 (RFI #9), respectfully submits the attached information detailing the progress of the hotline reporting system. RFI #9 requests the Department “to provide to the Joint Budget Committee, by the first of the month following the end of each quarter, information concerning the progress of the development and implementation of the child abuse and neglect hotline reporting system, including: (a) deliverables contained in each vendor contract; (b) associated expenditures for each element; (c) progress of rule-making; and relevant outcome data, including but not limited to: (i) call volume; (ii) call duration; (iii) wait time; (iv) number of and time to complete Enhanced Screening guide performed by Help Desk staff; (v) and workload indicators of hotline administration.”

If you have questions, please contact Julie Krow, Director of the Office of Children, Youth and Families at 303-866-5414.

Sincerely,

Reggie Bicha  
Executive Director



cc: Senator Pat Steadman, Vice-Chair, Joint Budget Committee  
Senator Mary Hodge, Joint Budget Committee  
Senator Kent Lambert, Joint Budget Committee  
Representative Jenise May, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Henry Sobanet, Director, Office of State Planning and Budgeting  
Ann Renaud, Senior Management & Budget Analyst, Office of State Planning and Budgeting  
Nikki Hatch, Deputy Executive Director of Operations, Department of Human Services  
Dee Martinez, Deputy Director of Enterprise Partnerships, Department of Human Services  
Melissa Wavelet, Director, Office of Performance and Strategic Outcomes, Department of Human Services  
Sarah Sills, Director of Budget and Policy, Department of Human Services  
Julie Krow, Director, Office of Children, Youth, and Families, Department of Human Services  
Robert Werthwein, Deputy Director, Office of Children, Youth, and Families, Department of Human Services  
Ann Rosales, Director, Division of Child Welfare, Department of Human Services  
Jennifer Corrigan, Legislative Liaison, Department of Human Services  
Molly Otto, State Librarian





**COLORADO**

**Office of Children,  
Youth & Families**

Division of Child Welfare

Ann M. Rosales, MSW, Director

**Joint Budget Committee - Request For Information #9**  
**Colorado Child Abuse and Neglect Reporting Hotline System**  
**July 1, 2014 through September 30, 2014**



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## Accomplishments

During the first quarter of FY 2014-15, there were a number of major accomplishments related to the Colorado Child Abuse and Neglect Reporting Hotline System. The Governor's Office of Information Technology (OIT) and the Department of Human Services (DHS) completed months of negotiations with CenturyLink and fully executed a contract outlining CenturyLink's work to develop the statewide hotline system. DHS completed an open competitive bidding process to identify a contractor for the Hotline County Connection Center (formerly known as the "Help Desk"). The bid was awarded to Prowers County, and the contract was finalized on September 30, 2014. These two contracts are the cornerstones of the statewide hotline system.

DHS and OIT staff have met with every county to discuss their existing business practices, their routing options, and how to best integrate with the statewide hotline system. In the process, they have also identified counties whose telephone systems require modifications to be compatible with the statewide hotline system. DHS is initiating purchase orders and amendments to existing agreements to ensure the modifications are executed and every county is compatible with the statewide hotline system.

On the programmatic side, DHS and OIT have convened numerous meetings and work groups with stakeholders to address hotline practice, information systems to support hotline practice, and coordinated training. DHS and the Hotline Steering Committee (HSC) collaborated to develop rule recommendations to guide hotline practice. The rule-making section on page 8 will outline progress on rule-making. OIT's Trails team collaborated with county hotline workers and the Division of Child Welfare to design a new Trails Hotline Application that is more user friendly and incorporates the practice recommendations of the HSC. User Acceptance Testing of the new Trails Hotline Application began the last week of September, and the team will continue to make modifications to the application to align with county hotline worker recommendations and the HSC's rule recommendations.

These accomplishments represent a fraction of the work on the part of DHS and OIT staff along with many county and community stakeholders who are invested in a successful implementation of the statewide hotline system on January 1, 2015. The net result of all of these efforts will be an easier method for the public to report child abuse and/or neglect; increased accountability through documentation, call recordings, and data collection; and more consistency in hotline practice throughout the State.



## Vendor Contracts

The following is a list of interagency agreements and contracts that were fully executed as of September 30, 2014. Summaries of the key deliverables for each are included in the appendices.

DHS Interagency Agreement with the Governor's Office of Information Technology (OIT)  
For Child Abuse and Neglect Hotline System Project Management  
Term: May 1, 2014 - June 30, 2015  
Total: \$99,300<sup>1</sup>  
Total expenditures to date: \$4,034<sup>2</sup>

DHS Interagency Agreement with the Governor's Office of Information Technology (OIT)  
For Child Abuse and Neglect Hotline System Contracting  
Term: June 1, 2014 - June 30, 2019  
Total: \$5,780,992<sup>3</sup>  
Total expenditures to date: \$906,900

DHS Interagency Agreement with the Governor's Office of Information Technology (OIT)  
For Independent Verification and Validation for Child Welfare Hotline  
Term: June 1, 2014 - June 30, 2015  
Total: \$112,590  
Total expenditures to date: \$6,980

DHS Interagency Agreement with the Governor's Office of Information Technology (OIT)  
For the Child Welfare Hotline Trails Application Modifications  
Term: July 1, 2014 - June 30, 2015  
Total: \$360,000  
Total expenditures to date: \$0<sup>4</sup>

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<sup>1</sup> The total amount for this Interagency Agreement is in the process of being increased by \$17,000 bringing the total to \$116,300. The increase is due to the FY 2014-15 across the board (statewide operating common policy) increases and other indirect costs not captured in the original agreement.

<sup>2</sup> DHS has an Accounts Payable (A/P) record set up for the remaining balance of FY 2013-14, which will bring the total expenditures to date to \$8,967.

<sup>3</sup> This amount includes estimated monthly recurring charges; therefore, the total cost may change depending on the system's call volume. Further, this amount may increase due to a pending contract amendment to provide new telephone lines in select counties to ensure compatibility with the statewide hotline system.

<sup>4</sup> DHS and OIT are working closely to ensure deliverables related to this agreement are met. Total expenditures against this contract will be reported once invoices become available.



OIT Contract with Century Link

For the Colorado Child Abuse Hotline Archive Environment and Interaction Routing

Term: August 1, 2014 - June 30, 2015

Price structure: Fixed price

Total: \$966,847<sup>5</sup>

Total expenditures to date: \$0

DHS Contract with Prowers County

For the Hotline County Connection Center

Term: September 30, 2014 - June 30, 2015

Price structure: Cost reimbursement

Total: \$689,568<sup>6</sup>

Total expenditures to date: \$0

In addition to the contracts listed above, the following is a list of interagency agreements and purchase orders that are being developed to provide goods or services connected with the implementation and on-going operations of the statewide hotline system.

Purchase Order with CTS LanguageLink

For Translation Services

Term: October 10, 2014 - June 30, 2015

Total: \$67,332<sup>7</sup>

Interagency Purchase Order with the Governor's Office of Information Technology

For Hotline County Connection Center Telephone System

Term: November 3, 2014 - June 30, 2015

Total: \$5,406

Twenty-two (22) Purchase Orders with Counties

For counties to make telephone system modifications to ensure compatibility with the statewide hotline system

Term: TBD

Total: \$440,000

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<sup>5</sup> This amount includes estimated monthly recurring charges; therefore, the total cost may change depending on the system's call volume and potential modifications.

<sup>6</sup> This amount may increase pending the call volume at the Hotline County Connection Center and demand for back-up support services by county departments.

<sup>7</sup> This amount is based on an estimate of 5,408 non-English calls from January 1 through June 30, 2015 with an average call duration of 15 minutes. This amount may change depending on actual call volume.



## Rule-making

Rules related to the statewide hotline system were developed collaboratively with county and community stakeholders. A small subcommittee of the Hotline Steering Committee (HSC) met in late July and early August 2014 to review HB 13-1271, the steering committee's recommendations, existing statutes, and existing rules. The subcommittee developed rule language that was vetted, revised, and approved by the full HSC on August 22, 2014.

In September 2014, the HSC rule recommendations were shared with the Child Welfare Sub-Policy Advisory Committee, the Child Protection Task Group, and Department's Executive Management Team. Division of Child Welfare staff reviewed the feedback received from various stakeholders and revised the rule recommendations per the feedback. The revisions were reviewed and revised by the HSC on September 26, 2014. The HSC's rule recommendations per the September 26<sup>th</sup> meeting were presented to the State Board of Human Services on October 3, 2014, along with testimonies in support of the rules by Angela Mead (Larimer County), Stephanie Villafuerte (Rocky Mountain Children's Law Center), and Commissioner Thomas Davidson (Summit County). The rules were approved to proceed to second reading on November 7, 2014.

Based on additional stakeholder feedback, the rules were revised again with minor changes and distributed to the HSC and County Directors for their review. The updated rules will be presented to the State Board of Human Services on November 7, 2014. Appendix G includes the names of participants who were involved in the development, review, and approval of the HSC's rule recommendations. If approved by the State Board of Human Services on the final reading during the Board meeting on November 7, the rules will become effective on January 1, 2015.



## Outcome Data

The Request for Information includes data on the system's operations. However, given the system is not scheduled to launch until January 1, 2015, the requested data is not available to report.

<u>Measures</u>	<u>July 1, 2014 - September 30, 2014</u>
Call Volume	n/a
Average Call Duration	n/a
Average Wait Time	n/a
Enhanced Screening performed by Hotline County Connection Center Staff	n/a
Average call duration of Enhanced Screening performed by Hotline County Connection Center Staff	n/a



## Hotline Administration

DHS and OIT have continued the hiring process to develop and manage the statewide hotline system. The Department was provided with funding for six positions which include: Hotline Director, Policy and Rule Analyst, Program Assistant, Data Analyst, Quality Assurance Analyst, and a Programming/Information Technology Analyst. Four of these positions have been filled, and the remaining two are currently in the hiring process. To assist with the work of implementing the system, DHS and OIT have hired contractors until qualified permanent, full-time employees can be hired. The following is workload summary for each of the positions.

### General Professional VI - Hotline Director DHS - Division of Child Welfare

The Hotline Director has been central to the contract development, negotiations, and review process for the OIT contract with CenturyLink and DHS' contract with Prowers County for the Hotline County Connection Center. The Department is accountable for numerous deliverables associated with both contracts, and the Hotline Director is coordinating with his team to ensure all of the deliverables are met. In addition to the contracts and delivery of key deliverables, the Hotline Director met with 52 counties in the first quarter of this fiscal year either in-person or via webinar to discuss their business processes, the statewide hotline system, and their routing options; determine whether their systems are compatible with the statewide hotline system's requirements; and begin collecting necessary information required by CenturyLink. He is designing individual solutions for each county according to their business operations and routing preferences including the creation of business design documents outlining the solution for each county. In the process, he has identified telephone system modifications in 22 counties that are necessary to be compatible with the statewide hotline system.

### General Professional IV - Policy and Rule DHS - Division of Child Welfare

The Policy Analyst has been instrumental in the contracting process with CenturyLink and Prowers County by coordinating the development of RFP documents and the contracts' statements of work for both procurements by scheduling meetings with key stakeholders; facilitating meetings to ensure all issues are covered and resolved; documentation of agreements between parties; executing revisions to contract documents per agreements; and reviewing contract drafts to ensure the documents align with agreements made throughout the contracting process. The Policy Analyst coordinated development of the hotline rules including recruiting volunteers for the Hotline Steering Committee's (HSC) Rules Subcommittee; researching current statute and rules; drafting reference documents for the subcommittee's review; facilitating meetings; drafting rules per the subcommittee's agreements; presenting subcommittee's work to the full HSC; meeting with stakeholders to review the rules and document their feedback; revising draft rules per HSC and stakeholder feedback; and preparations for presentation to the State Board of Human Services. The Policy Analyst also worked closely with OIT's Trails team, DHS' Child Protection team, and Administrative Review Division staff to identify modifications to the Trails Hotline Application necessary for the implementation of the Hotline County Connection Center. The analyst prepared call flow illustrations, screen mock-ups, and requirements documentation as well as facilitated design sessions with key stakeholders.



The Policy Analyst is currently focused on two projects. The first involves partnering with the Child Welfare Training System, OIT, and CenturyLink to develop a comprehensive training plan that addresses all the training needs related to the roll-out of the statewide hotline system. The second project is the development of a policy/practice guide for Hotline County Connection Center staff. She will also lead the development of quality assurance evaluation methodologies and performance measurements for the hotline system. When the system is fully operational, the Policy Analyst will collaborate with the Child Protection Team, Administrative Review Division, OIT, and county stakeholders to evaluate hotline practice throughout the state; identify potential improvements; and draft any needed rules or legislation. In addition to the policy aspects of the position, the Policy Analyst will assist the Hotline Director in managing all aspects of the hotline system.

**Program Assistant II**  
**DHS - Division of Child Welfare**

The Program Assistant has assisted with various administrative tasks including managing the clearance process for the Hotline Unit; editing communications; coordinating between various teams to ensure completion of deliverables; and completing travel expense reports. The assistant worked with County Human Services Directors to schedule in-person meetings or individual webinars to learn about the hotline system and obtain/compile information necessary to create the routing strategies for the statewide hotline system; program the system with the counties' preferences; and obtain necessary licenses. The assistant also worked the Division's Finance Unit to outline a process to reimburse counties for modifying their systems to ensure compatibility with the statewide hotline system. The assistant coordinated the recording of the automated prompts in the statewide hotline system including drafting the script with Child Protection Team staff; recruiting volunteers; meeting with CenturyLink staff to learn about their recording software; and working with a Weld County worker to record the prompts in English and Spanish. Lastly, the assistant coordinates all Hotline Steering Committee meetings by scheduling meetings; securing meeting locations; drafting agenda and meeting documents; and sending meeting information through the HSC's distribution list.

**General Professional IV - Data Analyst**  
**DHS - Division of Child Welfare**

After a lengthy applicant review and interview process, DHS made an offer to a candidate, who subsequently chose another position. DHS is initiating the hiring process again and anticipates filling the position by December 2014.

**General Professional IV - Quality Assurance**  
**DHS - Administrative Review Division**

This position has been filled, and the individual is scheduled to begin work on December 1, 2014.

**General Professional IV - Programming/Information Technology**  
**OIT - Trails**



OIT is currently in the hiring process for this position. In the interim, OIT's Trails team has hired contractors to assist with the workload associated with the implementation of the statewide hotline system. Trails staff built a new application, the Trails Hotline Application, specifically for taking reports and inquiries that interfaces with the existing state automated case management system. They worked with various stakeholders including the Division of Child Welfare, Colorado Trails User Group, and county hotline staff to identify requirements for the new application and subsequent revisions necessary to improve functionality. Trails staff also participated in contract negotiation meetings with DHS and CenturyLink to ensure CenturyLink's scope of work aligned with the modifications to the Trails Hotline Application. After meetings with CenturyLink to understand the technical requirements, they built the interface between the CenturyLink Network and the Trails Hotline Application. They have also collaborated with CenturyLink to define the needs for the call recording environment and design a process to integrate call recording links in the Trails Hotline Application.



## Appendices



## Appendix A: Interagency Agreement with the Governor’s Office of Information Technology (OIT) For Child Abuse and Neglect Hotline System Project Management

Term: May 1, 2014 - June 30, 2015

Total: \$99,300<sup>B</sup>

### Payments - Maximum Amount

The maximum amount payable under this agreement to OIT by DHS is \$ 99,300. The maximum amount payable by DHS to OIT during each State fiscal year of this agreement shall be:

FY 2013 - 14	\$ 13,000
FY 2014 - 15	\$ 86,300

OIT will invoice DHS for actual loaded hours on a monthly basis throughout the term of this agreement.

### Objective

Ensure successful implementation of the Child Abuse and Neglect Hotline Reporting System by providing an umbrella of project management expertise.

### OIT Requirements, Responsibilities, Deliverables, and Qualifications

Governor’s Office of Information Technology (OIT) will provide one project manager for the Department of Human Services (DHS) for the Child Abuse and Neglect Hotline Reporting System project.

Responsibilities of the project manager may include the following:

1. Oversee the various initiatives under the umbrella of the hotline project including the routing system execution and deployment; Trails modifications, and implementation of the Help Desk
2. Use of the OIT Enterprise Portfolio and Project Management (EPPMO) Methodology
3. Use of Clarity as a reporting tool for Medium, and Major projects according to OIT EPPMO Policies and Standards
4. Use of software such as Microsoft Project and Clarity
5. Assist DHS in the development and execution of Project and Gating forms and all appropriate project documentation as required by the EPPMO and as determined by the project’s various needs
6. Assist DHS in the formation of a Project Oversight Committee and project teams, again as determined by the project’s various needs.
7. Develop project plans
8. Provide project leadership and guidance by facilitating the following:
9. Project communication and coordination across stakeholders and all resources including:
10. Present status reports to DHS’ and OIT’s project governance teams

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<sup>B</sup> The total amount for this Interagency Agreement is in the process of being increased by \$17,000 bringing the total to \$116,300. The increase is due to the FY 2014-15 across the board (statewide operating common policy) increases and other indirect costs not captured in the original agreement.



11. Initiation, participation, and/or facilitation of various meetings with the stakeholders and resources listed above
12. Escalate risks to the appropriate state entity

Deliverables of the project manager may include but are not limited to the following:

1. Written weekly project status reports, and as applicable
2. Project plan documents as described above
3. Gating documents (responsible for Gates 2,3,4 documents)
4. Other documentation as may be requested by DHS or OIT
5. Attendance and Participation at meetings with relevant stakeholders

**Budget:**

<b>PERSONNEL COSTS</b> OIT Staff will perform 100% Time Detail Reporting	
Project Management will have a 1.0 FTE commitment to this project.	\$ 97,800
<b>TRAVEL</b>	
In-state travel.	\$ 500
Out of State travel. Out of state travel must be requested and approved in writing.	
<b>SUPPLIES</b>	
This line includes use of general office supplies including, but not limited to: LAN costs for staff, any necessary licenses, copying reports and documents for meetings, mailing, and purchasing other necessary office supplies used in related daily activities for DHS. This also includes costs associated with teleconferencing	\$ 1,000
<b>SUB-CONTRACTUAL</b> OIT shall manage the daily activities of any approved sub-contractors.	
<b>TOTAL</b>	<b>\$ 99,300</b>



## Appendix B: DHS Interagency Agreement with the Governor’s Office of Information Technology (OIT) For Child Abuse and Neglect Hotline System Contracting

Term: June 1, 2014 - June 30, 2019

Total: \$5,780,992<sup>9</sup>

### Payments - Maximum Amount

The maximum amount payable under this agreement to OIT by DHS is \$5,780,992, as determined by DHS from available funds and be allocated as follows:

FY 2013 - 14	\$ 906,900
FY 2014 - 15	\$ 457,232
FY 2015 - 16	\$ 1,240,157
FY 2016 - 17	\$ 1,058,901
FY 2017 - 18	\$ 1,058,901
FY 2018 - 19	\$ 1,058,901

### OIT Requirements, Responsibilities, Deliverables, and Qualifications

DHS will re-appropriate the funds received for the hotline to OIT so that OIT may enter into a contract (“contract”) with CenturyLink (“Vendor”) on behalf of DHS. The responsibilities associated with the contract are outlined below.

1. Contract Negotiation and Development. As appropriate and in coordination with DHS, OIT will:
  - a. Lead contract negotiation and development processes
  - b. Participate in contract meetings
  - c. Execute the contract between the Vendor, DHS, and OIT
  
2. Contract Administration. As appropriate and in coordination with DHS, OIT will:
  - a. Monitor Vendor progress and performance to ensure that goods and services provided conform to contract requirements
  - b. Manage any State property used in contract performance
  - c. Review and approve technical deliverables
  - d. Conduct financial reviews and audits as needed during the contract term
  - e. Review and approve invoices for payment consistent with contract requirements
  - f. Identify and notify DHS of any need for contract changes,
  - g. Notify DHS and exercise State remedies, as appropriate, in the event of deficient performance
  - h. Resolve Vendor disputes in a timely manner
  - i. Maintain appropriate records
  - j. Evaluate contract results

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<sup>9</sup> This amount includes estimated monthly recurring charges; therefore, the total cost may change depending on the system’s call volume.



3. Extension and Re-solicitation. As appropriate and in coordination with DHS, OIT will:
  - a. Participate in extension or re-solicitation negotiations and meetings
  
4. Contract Close. As appropriate and in coordination with DHS, OIT will:
  - a. Manage the close-out of the contract
  - b. Participate in contract final evaluation
  - c. Coordinate transition-out activities
  
5. Agreement Administration. As appropriate and in coordination with DHS, OIT will:
  - a. Coordinate efforts with the Department, and stakeholders identified by the Department as needed
  - b. Use re-appropriated funds exclusively for payment for work performed by the Vendor for the purposes outlined in the contract



## Appendix C: DHS Interagency Agreement with the Governor’s Office of Information Technology (OIT) For Independent Verification and Validation for Child Welfare Hotline

Term: June 1, 2014 - June 30, 2015

Total: \$112,590

### Payments - Maximum Amount

The maximum amount payable under this agreement to OIT by DHS is \$112,590.

The maximum amount payable by DHS to OIT during each State fiscal year of this agreement shall be:

FY 2013 - 14	\$ 6,890
FY 2015 - 15	\$ 105,700

### Objective

Ensure successful implementation of the Child Abuse and Neglect Hotline Reporting System by providing Independent Verification and Validation Services (IV&V).

### OIT Requirements, Responsibilities, Deliverables, and Qualifications

The Governor’s Office of Information Technology (OIT) will solicit, select, and manage IV&V services for the Child Abuse and Neglect Reporting Hotline System project.

Responsibilities include:

1. Collaboratively with DHS, develop a statement of work for an IV&V service provider
2. Collaboratively with DHS, solicit and select an IV&V service provider
3. Administer the IV&V contract
4. Extension and re-solicitation
5. Contract close
6. Agreement administration
7. OIT shall submit invoices to DHS for reimbursement for the services provided under this agreement



## Appendix D: DHS Interagency Agreement with the Governor’s Office of Information Technology (OIT) for the Child Welfare Hotline Trails Application Modifications

Term: July 1, 2014 - June 30, 2015

Total: \$360,000

### OIT Requirements, Responsibilities, Deliverables, and Qualifications

The Governor’s Office of Information Technology (OIT) will solicit, select, and manage the vendors and/or staff modifying Trails for the below projects:

1. Project Trails Child Welfare Hotline
  - a. Enhanced Search
  - b. Exchange of Call Information
2. Hotline Architecture and Development
3. Project Management Responsibilities

### Budget:

Hotline Trails Implementation Budget 2014 - 2015		
Expenses	Details	Amount
Contract resources	.Net Development / System Architect for Hotline Trails Integration phase with Century link routing system.  Estimated 1681 hours at \$85/hour	\$142,885
Contract resources	.Net Development / Testing for Hotline Trails Integration phase with Century link routing system  Estimated 1645 hours @ \$87/hour	\$143,115
Software purchases & Support	Application Monitoring /Disk/Google API usage and other software	\$74,000
Total Expenses		\$360,000



## Appendix E: OIT Contract with Century Link for the Colorado Child Abuse Hotline Archive Environment and Interaction Routing

Term: August 1, 2014 - June 30, 2015

Price structure: Fixed price

Total: \$966,847<sup>10</sup>

The deliverables for the contract are separated into two phases.

### Phase 1:

1. Ordering and provisioning approximately 64 new local dedicated numbers for the counties and tribes. Some counties already have dedicated numbers; this quantity will be based on the outcome of the phone surveys.
2. Ordering and provisioning new access paths and any test numbers required
3. Ordering and provisioning call recording platform
4. Ordering and provisioning a new toll free number
5. Ordering and provisioning any new telephone lines at the counties if needed
6. Provision all call takers, supervisors, and administrators
7. Develop a speech recognition application
8. Four routing strategies from local numbers that will be routed to either agents on the platform or forwarded to county departments' main numbers, with or without the menu option to determine adult or child abuse
9. Four routing strategies, similar to the above, that will come in through the CenturyLink voice network. Different route points into the routing strategies will be used so that the network can distinguish between calls to county dedicated reporting numbers and the published statewide hotline number
10. Validation strategy will be developed to test the new telephony infrastructure provisioned for this project
11. Create a method for agents to be logged into the network indefinitely and insure they are available to take calls without manually logging in through the Genesys Agent Desktop or TrueConnect features
12. Transfer strategy that will allow the Hotline County Connection Center to transfer a call to a county
13. Install and configure a remote archive server for call recording purposes
14. Using the production call recording platform to record calls and send to the remote archive server in the CenturyLink datacenter
15. Integration between the hotline system and the Colorado Trails database to capture information at the beginning of the call and then between the call recording platform and the remote archive call recording platform
16. A speech recognition interactive voice response application that will send calls to the hotline system for routing

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<sup>10</sup> This amount includes estimated monthly recurring charges; therefore, the total cost may change depending on the system's call volume and potential modifications.



17. Provide training and support for the 64 counties, 2 tribes, and the Hotline County Connection Center

Phase 2

1. Automatic input of information related to frequent mandatory reporters
2. Any changes identified in Phase 1 that would prohibit the deployment of the service in the timeframes required. These changes will be covered under the change order process.
3. Provide 2 speech recognition tuning cycles for the interactive voice response application



## Appendix F: DHS Contract with Prowers County - Hotline County Connection Center

Term: September 1, 2014 - June 30, 2015

Price structure: Cost reimbursement

Total: \$689,568

### Scope of Work:

Prowers County (herein referred to as "Contractor") shall route callers to the appropriate county when the Child Welfare Abuse and Neglect Routing System's IVR system cannot recognize the name of the county spoken by the caller. The Contractor shall also accept calls on behalf of a county or group of counties, or provide back-up support services for calls routed directly to a county, if requested using a process developed by DHS.

### Contractor's Performance & Deliverables:

1. **Default Services:** When calling the toll-free statewide hotline, callers will be asked to state the name of a county, and the system will route the call to that county. Any unrecognized county names will result in the caller being routed to the Connection Center. Those callers will be sent to an available Connection Center hotline worker based on availability and the last time the hotline worker received a Connection Center call, similar to an automatic call distributor (ACD). Unless otherwise requested by DHS, the Connection Center's primary function will be to route callers to the appropriate county.
2. **Services to callers who are deaf or have hearing impairments:** The Contractor shall assist callers who utilize TTY, TDD, relay services, or another emerging technology.
3. **Spanish Speakers and Translation Services:** The Contractor shall assist callers who speak a language other than English by maintaining sufficient bilingual, Spanish-speaking hotline workers to meet the customer service requirements.
4. **Telephone Answering Services:** If requested by DHS, the Contractor shall provide telephone answering services on behalf of the county department(s) child abuse and neglect hotline(s) 24 hours a day, seven days a week, holidays, after hours, or on an as-needed basis.
5. **Information Gathering Services:** In the event DHS requests the Connection Center to receive inquiries or reports of child abuse or neglect on their behalf, the Contractor shall provide information gathering services as defined in the Colorado Children's Code (Title 19, Colorado Revised Statutes), the Code of Colorado Regulations (Volume 7) and the direction of DHS. The Contractor shall staff the Connection Center with supervisors and hotline workers who have received Hotline Training for Workers and Supervisors and are certified as a hotline workers and supervisors through the Child Welfare Training System.
6. **Documentation Requirements:** The Contractor shall utilize the state automated case management system, Trails, to input information about all calls received through the Connection Center.
7. **Training Requirements:** The Contractor shall train their personnel in the proper methods and techniques required to properly and satisfactorily accept phone calls, relay information, and employ customer service skills to interact with callers, state and county staff in a professional and courteous manner.



8. **Customer Service and Quality Assurance Requirements:** The Contractor and all subcontractors shall be responsible for knowing and being in compliance with applicable requirements in the Code of Colorado Regulations (Volume 7) and the Colorado Children’s Code (Title 19, Colorado Revised Statutes).
9. **Telecommunications and Information Technology Requirements:** Unless otherwise provided by the Department, the Contractor shall procure all equipment necessary to provide the services outlined in statement of work. The information systems referenced in this contract, such as the state automated case management system, are web-based applications, to which the Contractor will have access depending on the type of service requested by counties. The Contractor shall meet or exceed the minimum telecommunications and information technology requirements needed to be compatible with the statewide hotline system.
10. **Implementation:** the Contractor shall follow the Implementation Plan outlined in the contract.
11. **Transition Planning:** After the contract period, DHS reserves the right to transition the Connection Center to an alternate service provider or to DHS. The Contractor shall provide a written, draft transition-out plan that clearly describes what is to be done upon agreement transition; how the Contractor shall ensure the transfer is completed in a manner that prevents callers or state and county staff from experiencing any interruption in service; and disposition of all assets, information, and other materials provided by DHS. The draft transition-out plan shall be submitted to DHS for review and approval 120 days following the execution of this contract.
12. **Project Management:** Contractor shall manage the project effectively by providing project management of the project.
13. **Travel Stipulations :** Travel is expected to be minimal, and shall be reimbursed at the prevailing county rate but shall not exceed the prevailing state rate.

**Payment Methodology:**

The total cost for FY 2014-15 is \$689,568, which represents set-up costs plus seven months of budgeted operating costs, prorated.

In the event that call volume changes, or that another factor affects the direct costs of this agreement, DHS will negotiate modifications to the budget in accordance with RFP #NCRJ1406015CWSX and the contractor’s response, and such that savings due to economies of scale are realized.

**Budget:**

<b>Total Set-up Costs</b>		
PERSONNEL SERVICES - SALARY & FRINGE	<i>See Table A</i>	\$82,182
TRAVEL	<i>See Table B</i>	\$5,598
SUPPLIES & OPERATING	<i>See Table C</i>	\$5,500
EQUIPMENT	<i>See Table D</i>	\$40,075
CONTRACTUAL (payments to third parties or entities)	<i>See Table E</i>	\$8,000
OTHER	<i>See Table F</i>	\$15,000
INDIRECT	<i>See Table G</i>	\$23,453
<b>Total Set-up Costs</b>		<b>\$179,808</b>



Total Operating Costs		
PERSONNEL SERVICES - SALARY & FRINGE	See Table H	\$704,973
TRAVEL	See Table I	\$5,598
SUPPLIES & OPERATING	See Table J	\$20,320
EQUIPMENT	See Table K	\$0
CONTRACTUAL (payments to third parties or entities)	See Table L	\$24,000
OTHER	See Table M	\$5,000
INDIRECT	See Table N	\$113,984
<b>Total Operating Costs</b>		<b>\$873,875</b>
<b>Prorated Operating Costs - 7 Months</b>		<b>\$509,760</b>

SET UP Expenditure Categories					Total Cost
TABLE A - PERSONNEL SERVICES - SALARY & FRINGE					
Position Title / Employee Name	Description of Work For hourly employees, please include the hourly rate and number of hours in your description. Include number of months budgeted.	Gross Salary	Fringe	% ACTUAL Time on Contract	TOTAL
Program Manager - Hired 10/15/14	Administration, Management & Supervision Of Programs	\$13,750	\$2,848	100.0%	\$16,598
Supervisor X 2 - Hired 10/15/14	Supervision Of Direct Call Staff, Training, Evaluation Of Staff, Quality Assurance	\$21,000	\$4,873	100.0%	\$25,873
Hotline worker - hired 12/15/14	Operate the Connection Center by answering calls, referrals as appropriate, completion of data entry				\$0
Dayshift x 3 FTE - hired 11/1/14	\$13.00/HR	\$13,518	\$4,368	100.0%	\$17,886
Nightshift x 3 FTE - hired 12/1/14	\$14.00/HR	\$7,281	\$2,250	100.0%	\$9,531
Weekend shift x 2.4 FTE - hired 12/1/14	\$14.00/HR	\$5,825	\$1,800	100.0%	\$7,625
Back up coverage 1 FTE - hired 12/1/14	\$14.00/HR	\$2,427	\$750	100.0%	\$3,177
Unemployment Insurance	.3% of Gross Pay	\$192			\$192
Employee Hiring Costs	\$100/Employee Screening Costs	\$1,300			\$1,300
<b>Total Personal Services</b>		<b>\$65,293</b>	<b>\$16,889</b>	<b>6.00</b>	<b>\$82,182</b>
TABLE B - TRAVEL					



SET UP Expenditure Categories		Total Cost
Item	Description of Item	TOTAL
Travel	5400 Miles @ .37	\$1,998
Lodging	12 x \$200/Day	\$2,400
Per Diem	\$50/Day @ 24 Days	\$1,200
<b>Total Travel</b>		<b>\$5,598</b>
TABLE C - SUPPLIES & OPERATING		
Item	Description of Item	TOTAL
Supplies	Office/Desk Supplies (Stapler, Calculator, Pens, Pencils, Paper, Tape, Sticky Notes, Notebooks, Paper for Copier, Hole Punch, Scissors, Dividers, Hanging files, Manila Files, Trash Receptacle, Staple Puller, White Out, Highlighters, Phone Log, Chair Mat, White Board, Dry Erase Markers, etc.)	\$2,000
Rent	\$1,000/month x 3.5	\$3,500
<b>Total Supplies &amp; Operating Expenses</b>		<b>\$5,500</b>
TABLE D - EQUIPMENT		
Item	Description of Item	TOTAL
8 Work Stations & Chairs	Workstation to include desk, file cabinet, drawers @ \$1900	\$15,200
Copier/Printer/Scanner/Fax	Combination of copier/printer/scanner/fax	\$10,000
IT Connection	IT Connection Equipment, TTY/TDD	\$4,625
Cell Phones	Cell Phones for Manager & Supervisors @ \$200/phone and Monthly Plan including Data Package @ \$60/month/phone	\$1,050
Laptop Computers	8 Laptop PC's @ \$1150	\$9,200
<b>Total Equipment</b>		<b>\$40,075</b>
TABLE E - CONTRACTUAL (payments to third parties or entities)		
Item	Subcontractor / Entity Name	TOTAL
Prowers County IT	Prowers County IT \$80/hr x 100 hours	\$8,000
<b>Total Contractual</b>		<b>\$8,000</b>
TABLE F - OTHER		
Item	Description of Item	TOTAL
Generator	Generator to be used in the event of a power failure	\$15,000
<b>Total Other</b>		<b>\$15,000</b>
<b>SUB-TOTAL BEFORE INDIRECT</b>		<b>\$156,355</b>
TABLE G - INDIRECT		
Item	Description of Rate / Item	TOTAL
Negotiated Indirect cost rate (Federal or DHS):		



SET UP Expenditure Categories		Total Cost
Indirect (other): please list specific indirect costs if no rate exists	Indirect Cost calculated at 15% for Accounting, Budgeting, Payroll Preparation, Human Resources, Personnel Services, Purchasing and Centralized Processing	\$23,453
Indirect (other): Modified budget item rate, if applicable		
<b>Total Indirect</b>		<b>\$23,453</b>
<b>TOTAL SET UP COSTS</b>		<b>\$179,808</b>

OPERATING COSTS - EXPENDITURE CATEGORIES					Total Cost
TABLE H - PERSONNEL SERVICES - SALARY & FRINGE					
Position Title / Employee Name	Description of Work	Gross Salary	Fringe	% ACTUAL Time on Contract	TOTAL
Program Manager	Administration, management, supervision, oversight of the hotline operations, management of the hotline budget, oversight of the training and certification processes, management of the data and CQI	\$66,000	\$13,668	100.0%	\$79,668
Supervisor X 2 FTE	Supervision of call-takers, training, evaluation, of staff, quality assurance	\$100,800	\$23,376	100.0%	\$124,176
Call-Takers	Operate the Connection Center, including answering calls, referrals as appropriate, completion of data entry, etc.				
Day Shift	\$13.00/Hour x 5 FTE	\$135,200	\$43,683	100.0%	\$178,883
Night Shift	\$14.00/Hour x 4 FTE	\$116,480	\$35,999	100.0%	\$152,479
Weekend Shift	\$14.00/Hour x 3.4 FTE	\$99,008	\$30,599	100.0%	\$129,607
Back-up Coverage	\$14.00/Hour x 1 FTE	\$29,120	\$9,000	100.0%	\$38,120
Unemployment Insurance	.3% of Gross Pay	\$1,640			\$1,640
Employee Hiring Costs	\$100/Employee Screening Costs	\$400			\$400
<b>Total Personal Services</b>		<b>\$548,648</b>	<b>\$156,325</b>	<b>6.00</b>	<b>\$704,973</b>
TABLE I - TRAVEL					
Item	Description of Item				TOTAL
Travel	5400 Miles @ .37				\$1,998
Lodging	12 x \$200/Day				\$2,400
Per Diem	\$50/Day @ 24 Days				\$1,200
<b>Total Travel</b>					<b>\$5,598</b>
TABLE J - SUPPLIES & OPERATING					



OPERATING COSTS - EXPENDITURE CATEGORIES			Total Cost
Item	Description of Item		TOTAL
Supplies	\$200/month x 12 mos		\$2,400
Operating Space	\$200/month x12 mos		\$2,400
Rent	\$1,000/month x 12 mos		\$12,000
Cell Phones	Manager and Supervisors: 3 phones x \$60 x month x 12 Months Emergency: 2 phones @ \$200/phone and basic service monthly plan @ \$40 x month x 12 months		\$3,520
Total Supplies & Operating Expenses			\$20,320
TABLE K - EQUIPMENT			
Item	Description of Item		TOTAL
Total Equipment			\$0
TABLE L - CONTRACTUAL (payments to third parties or entities)			
Item	Subcontractor / Entity Name		TOTAL
IT Services	Prowers County IT Services - 25 hours/month ongoing at \$80/hr x 12 MOS		\$24,000
Total Contractual			\$24,000
TABLE M - OTHER			
Item	Description of Item		TOTAL
Maintenance/Other	Costs must be approved by DHS in writing prior to being incurred		\$5,000
Total Other			\$5,000
SUB-TOTAL BEFORE INDIRECT			\$759,891
TABLE N - INDIRECT			
Item	Description of Rate / Item		TOTAL
Negotiated Indirect cost rate (Federal or DHS):			
Indirect (other): please list specific indirect costs in description if no rate exists	Indirect Cost calculated at 15% for Administrative, Accounting, Human Resources, Accounts Receivable/Accounts Payable, Annual Audit Services		\$113,984
Indirect (other): Modified budget item rate, if applicable			
Total Indirect			\$113,984
TOTAL COSTS			\$873,875



## Appendix G: Hotline Rules Stakeholder Engagement

The following individuals participated in the Hotline Steering Committee's rules subcommittee that developed the rule proposals:

- Megan Davis, Boulder County
- Sue Nichols, DHS - Administrative Review Division
- Shirley Rhodus, El Paso County
- Jill Ruttenberg, Larimer County
- Mimi Scheuermann, DHS Division of Child Welfare - Training
- Laura Solomon, DHS Division of Child Welfare - Child Protection
- Commissioner Julie Westendorff, La Plata County
- Jomar White, DHS - OCYF

The follow individuals were present at the August 22nd Hotline Steering Committee meeting where the proposed hotline rules were presented, revised, and approved:

- Lisa Ault, Sedgwick County
- Les Cowger, DHS - Division of Child Welfare
- Commissioner Thomas Davidson, Summit County
- Megan Davis, Boulder County
- Matt Dodson, Archuleta County
- Commissioner Cindy Domenico, Boulder County
- Betty Donovan, Gilpin County
- Lucille Echohawk, Denver Youth and Family Resource Center
- Katie Facchinello, DHS - OCYF
- Jack Hilbert, DHS - Division of Child Welfare
- Mahesh Karekar, OIT
- Commissioner Kevin Karney, Otero County
- Dave Long, Logan County
- Dan Makelky, Douglas County
- Kim Mauthe, Teller County
- Penny May, Denver County
- Victoria McVicker, SafeHouse Denver
- Angela Mead, Larimer County
- Mary Alice Mehaffey, DHS - Division of Child Welfare
- Lanie Meyers-Mireles, Prowers County
- Sue Nichols, DHS- Administrative Review Representative
- Robin Overmyer, Weld County
- Shirley Rhodus, El Paso County
- Donna Rohde, Otero County
- Paige Rosemond, DHS- DCW
- Ann "Mimi" Scheuermann, DHS - Division of Child Welfare
- Karen Silveski, Jefferson County
- Robin Smart, JBC staff
- Jerri Spear, Elbert County
- Nan Sundeen, Pitkin County
- Jonathan Sushinsky, DHS - Division of Child Welfare
- Cheryl Ternes, Arapahoe County
- Michael Vente, DHS - OCYF
- Gail Waggoner, OIT-EPPMO
- Emily Wengrovius, DHS
- Jomar White, DHS - OCYF

The follow individuals were present at the September 26<sup>th</sup> Hotline Steering Committee meeting where the proposed hotline rules were revised based on stakeholder feedback and approved:

- Lisa Ault, Sedgwick County
- Mary Berg, Jefferson County
- Jennifer Brown, El Paso County
- Renee Brown, Gunnison/Hinsdale Counties
- Commissioner Wendy Buxton-Andrade, Prowers County
- Michael Cox, OIT
- Tara Czyzewski, Jefferson County
- Penny May, Denver County
- Angela Mead, Larimer County
- Mary Alice Mehaffey, DHS - Division of Child Welfare
- Lanie Meyers-Mireles, Prowers County
- Sue Nichols, DHS- Administrative Review Representative
- Robin Overmyer, Weld County



- Commissioner Thomas Davidson, Summit County
- Megan Davis, Boulder County
- Matt Dodson, Archuleta County
- Katie Facchinello, DHS - OCYF
- Allan Gerstle, Ouray/San Miguel Counties
- Josie Herriman, Huerfano County
- Jack Hilbert, DHS - Division of Child Welfare
- Mahesh Karekar, OIT
- Commissioner Kevin Karney, Otero County
- Peg Kircher, Logan County
- Julie Krow, DHS, OCYF
- Rudy Martinez, Pueblo County
- Kim Mauthe, Teller County Victoria McVicker, SafeHouse Denver
- Shirley Rhodus, El Paso County
- Ruby Richards, Douglas County Donna Rohde, Otero County
- Paige Rosemond, DHS- DCW
- Ann "Mimi" Scheuermann, DHS - Division of Child Welfare
- Commissioner Norm Steen, Teller County
- Stephanie Villafuerte, Rocky Mountain Children's Law Center
- Gail Waggoner, OIT-EPPMO
- Commissioner Julie Westendorff, La Plata County
- Jomar White, DHS - OCYF
- Ann Williams, DHS, Division of Child Welfare
- Yvette Yeon, Arapahoe County





**COLORADO**  
Department of Human Services

The Honorable Crisanta Duran  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

September 30, 2014

Dear Representative Duran:

The Colorado Department of Human Services, in response to the Long Bill fiscal year FY 2014-15 Request for Information #10 (RFI #10), respectfully submits the attached information detailing FY 2013-14 Title IV-E expenditures and revenue. RFI #10 requests the Department "to provide a report to the Joint Budget Committee by October 1 of each fiscal year concerning the amount of federal revenues earned by the State for the previous fiscal year, pursuant to Title IV-E of the Social Security Act, as amended; the amount of money that was expended for the previous state fiscal year, including information concerning the purposes of the expenditures; and the amount of money that was credited to the Excess Federal Title IV-E Reimbursements Cash Fund created in Section 26-1-111(2) (d) (C), C.R.S."

If you have questions, please contact Julie Krow, Director of the Office of Children, Youth and Families at 303-866-5414.

Sincerely,

Reggie Bicha  
Executive Director

cc: Senator Pat Steadman, Vice-Chair, Joint Budget Committee  
Senator Mary Hodge, Joint Budget Committee  
Senator Kent Lambert, Joint Budget Committee  
Representative Jenise May, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Mr. John Ziegler, Staff Director, Joint Budget Committee  
Ms. Robin Smart, Joint Budget Committee Staff  
Mr. Henry Sobanet, Director, Office of State Planning and Budgeting  
Ms. Ann Renaud, Office of State Planning and Budgeting  
Ms. Nikki Hatch, Deputy Executive Director of Operations  
Ms. Dee Martinez, Deputy Director of Enterprise Partnerships  
Ms. Sarah Sills, Budget Director, Colorado Department of Human Services  
Ms. Julie Krow, Director, Office of Children, Youth, and Families  
Mr. Robert Werthwein, Deputy Director, Office of Children, Youth, and Families  
Ms. Ann Rosales, Director, Division of Child Welfare  
Ms. Jennifer Corrigan, CDHS Legislative Liaison



**Colorado Department of Human Services**  
**RFI #10**  
**State Fiscal Year 2014 Application of IV-E Revenue**

Appropriation Number	Title	SFY 2014 IV-E Revenue To Be Applied	SFY 2014 IV-E Revenue Earned Thru P12 CFMS; P13 COFRS	SFY 2014 IV-E Revenue (Over)/Under Earnings
P21	County Wide Cost Allocation Plans - Pass Thru	\$2,793,367.76	\$2,793,367.76	\$0.00
P22	County Automated Data Processing - Pass Thru	\$252,232.46	\$252,232.46	\$0.00
P23	County Training - Pass Thru	\$0.46	\$0.46	\$0.00
P24	County Only Federal Pass Thru	\$5,834.34	\$5,834.34	\$0.00
001	Departmental Administration	\$1,317,154.69	1,317,154.69	\$0.00
005	Workmen's Compensation Premiums	\$16,340.27	\$16,340.27	\$0.00
009	Risk Management	\$4,886.22	\$4,886.22	\$0.00
013/AJA	ADM-Purchase Services-GGCC	\$1,446,321.16	1,446,321.16	\$0.00
018	Administrative Review Unit	\$754,448.00	520,908.83	\$233,539.17
068	Child Welfare Administration	\$958,159.00	1,017,550.59	(\$59,391.59)
070	Child Welfare Services - Non-waiver (IVB)			\$0.00
070	Child Welfare Services - State Only/County Adm Non-w	\$15,256,070.00	\$19,882,094.86	(\$4,626,024.86)
070	Child Welfare Services - Waiver Non-Intervention	\$39,139,793.00	39,498,057.82	(\$358,264.81)
070	Child Welfare Services - Waiver-Intervention (6.7M)	\$6,686,864.00	2,056,035.11	\$4,630,828.90
072	Family and Children's Programs	\$3,070,893.00	\$3,752,707.78	(\$681,814.78)
075	Foster& Adoptive Parent Recruitment, Training	\$70,017.00	45,064.76	\$24,952.24
079	Title IV-E Waiver&Eval Dev't	\$250,009.00	\$187,499.50	\$62,509.50
092/AMA	Leased Space	\$25,926.82	25,926.82	\$0.00
098	Colorado Trails	\$1,601,080.00	1,471,884.05	\$129,195.95
107	Management & Admin of OIT	\$2,258.30	2,258.30	\$0.00
125/AMA	Vehicle Lease Payments	\$14,736.25	14,736.25	\$0.00
285	Workforce Tools-Mobile Computing Technology	\$122,910.00	11,549.88	\$111,360.12
286	Workload Study	\$79,654.00	78,647.60	\$1,006.40
288	Child Welfare Staff Training	\$2,903,373.00	1,813,714.66	\$1,089,658.34
289	Hotline for Child Abuse and Neglect	\$4,240.00	-	\$4,240.00
293	Electronic Benefit Transfer Services	\$5,341.03	\$5,341.03	\$0.00
462	Workforce Tools-Mobile Computing Technology-Rollfwc	\$122,910.00	\$108,444.92	\$14,465.08
				\$0.00
103	IKA/DYC	\$260,774.00	\$825,453.00	(\$564,679.00)
250	IKA/DYC - Purchase of Contract Placement	\$640,182.00	\$622,756.38	\$17,425.62
480	IKA/DYC	\$905,034.00	\$644,902.98	\$260,131.02
		\$78,710,809.76	\$78,421,672.47	\$289,137.30

Under-earned revenue in Colorado Trails is not included in the close-out process. Appropriation 018 is backfilled with Title IV-E revenue only to percent of revenue earned (\$78,008.28 not backfilled). Total over-earned revenue for close-out is \$81,933.07 (\$289,137.30 - \$78,008.28 - \$129,195.95).

**Colorado Department of Human Services**  
**RFI #10**  
**Expenditures and Revenue for State Fiscal Year 2013- 14**

<b>Cash Fund Balance as of July 1, 2013</b>	\$	42,513
<b>FY 2013-14 Expenditures</b>		
IV-E Eligibility Determination Services at the County Level	\$	-
Assistance Payments (TANF MOE Eligible)	\$	-
Excess Title IV-E Reimbursements (Assistance Payments)	\$	-
Fees	\$	24
<b>Total FY 2012 -13 Expenditures</b>	<b>\$</b>	<b>24</b>
<b>FY 2013 -14 Revenue</b>		
FY 2012 -13 Excess Federal Revenue		
Interest Income	\$	412
<b>Total Revenue to Excess Title IV-E Reimbursement Cash Fund (17W)</b>		
<b>Excess Title IV-E Reimbursement Cash Fund Balance July 1, 2014</b>	<b>\$</b>	<b>42,901</b>

November 1, 2014

The Honorable Crisanta Duran  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, Colorado 80203

Dear Representative Duran:

The Colorado Department of Human Services, in response to FY 2013-14 Request for Information #11 (RFI #11), respectfully submits the attached information detailing the Child Care Development Fund (CCDF). RFI #11 requests that the Department:

Submit annually, on or before November 1, a report to the Joint Budget Committee concerning federal Child Care Development Funds. The requested report should include the following information related to these funds for the actual, estimate, and request years (state fiscal years 2012-13, 2013-14, and 2014-15): (a) the total amount of federal funds available, and anticipated to be available, to Colorado, including funds rolled forward from previous state fiscal years; (b) the amount of federal funds expended, estimated, or requested to be expended for these years by Long Bill line item; (c) the amount of funds expended, estimated, or requested to be expended for these years, by Long Bill line item where applicable, to be reported to the federal government as either maintenance of effort or matching funds associated with the expenditure of federal funds; and (d) the amount of funds expended, estimated, or requested to be expended for these years that are to be used to meet the four percent federal requirement related to quality activities and the federal requirement related to targeted funds. An update to the information on the amount of federal funds anticipated to be available and requested to be expended by Long Bill line item should be provided to the Joint Budget Committee annually on or before January 15.

The information requested is included in the following tables:

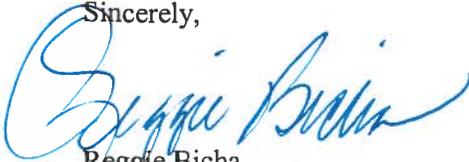
<b>Table</b>	<b>Title</b>	<b>Page Number</b>
A	CCDF Federal Funds Available by Fund Type Including Roll Forward	1
B	CCDF Expenditures Organized by Long Bill Line Item	2
C	MOE and Matching Sources Organized by Long Bill Line Item	3
D	Activities to Improve the Quality of Child Care 4% Federal Requirement	4
D1	Actual Targeted Funds Spending	5
D2	Estimated Expenditures to Comply with Federal Targeted Funds Requirement	6



The grant award amounts provided in Table A are current with the most recent award letters, dated July 1, 2013 and July 1, 2014 respectively. Please note the CCDF grant is affected by sequestration cuts at the federal level. While the impact of sequestration on the CCDF grant is being closely monitored by the Department, sequestration is not currently having a programmatic effect. The Department will share information with the Joint Budget Committee as it is available and relevant.

If you require further information or have additional questions, please contact MaryAnne Snyder, Director of the Office of Early Childhood at 303-866-5979.

Sincerely,



Reggie Bicha  
Executive Director

Enclosure

cc: Senator Pat Steadman, Vice-Chair, Joint Budget Committee  
Senator Mary Hodge, Joint Budget Committee  
Senator Kent Lambert, Joint Budget Committee  
Representative Jenise May, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Melodie Beck, Budget Analyst, Office of State Planning and Budgeting  
Zach Pierce, Human Services Policy Advisor, Governor's Office  
Legislative Council Library  
Molly Otto, State Librarian  
Nikki Hatch, Deputy Executive Director of Operations  
Dee Martinez, Deputy Executive Director of Enterprise Partnerships  
Melissa Wavelet, Director, Office of Performance and Strategic Operations  
Sarah Sills, Budget and Policy Director  
Mary Anne Snyder, Director Office of Early Childhood  
Jennifer Corrigan, Legislative Liaison  
Dan Drayer, Communications Director



**Table A - CCDF Federal Funds Available by Fund Type Including Roll Forward**

	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>		
<b>Federal CCDF Funds</b>	<b>Actual</b>	<b>Estimate</b>	<b>Request</b>	<b>Comments</b>	
CCDF Federal Grant (Unspent Balance)	\$ 18,113,665	\$ 22,393,937	\$ 21,586,877	<i>Calculated 75% of Current Award</i>	
New Annual CCDF Award <sup>1</sup>	\$ 67,994,084	\$ 68,219,306	\$ 68,145,340		
Total Funds Available <sup>2</sup>	\$ 86,107,749	\$ 90,613,243	\$ 89,732,217		
Expenditures	\$ 64,019,753	\$ 69,026,366	\$ 69,026,366		
Roll Forward Balance <sup>3</sup>	\$ 22,087,996	\$ 21,586,877	\$ 20,705,851		
<u>Funds Available by Type</u>					
Mandatory Funds	\$ 9,588,966	\$ 10,173,800	\$ 10,173,800		<i>Requires 1-for-1 Match</i>
Discretionary Funds	\$ 40,313,748	\$ 46,926,085	\$ 35,960,009		
Matching Funds	\$ 35,620,202	\$ 33,340,710	\$ 43,598,408		
Total	\$ 85,522,916	\$ 90,440,594	\$ 89,732,217		
Expenditures	\$ 63,713,812	\$ 69,026,366	\$ 69,026,366		
Balance to roll forward	\$ 22,393,937	\$ 21,586,877	\$ 20,705,851		

1 Grant amount for the Request Year is an estimate of the pending award based on 25% of the prior year and 75% of the current year, +/- any distribution adjustments.

2 Matching funds require 100% match.

3 A roll forward balance is needed each year to ensure the cash solvency of the grant. The roll forwards shown here reflect approximately a 4 months of actual spending.

**Request For Information # 4**  
**Table B - Child Care Development Fund Expenditures**

<b>Long Bill Line Item</b>	<b>COFRS Appropriation Number</b>	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Estimate</b>	<b>FY 2015-16 Request</b>
Executive Director's Office - Personal Services	001	\$280,000	\$280,000	\$280,000
Office of Information Technology Services (ITS) - Purchase of Services from Computer Center	013	\$957,462		
ITS - Colorado Trails	098	\$18,995	\$817,778	\$817,778
ITS - Operating Expenses	116	\$13,260		
ITS - Child Care Automated Tracking System (CHATS)	109	\$2,490,350	\$2,709,933	\$2,709,933
Office of Operations (OPS) - Vehicle Lease Payment	125	\$0	\$0	\$0
OPS- (A) Administration	Various	\$423,815	\$400,000	\$400,000
Office of Early Childhood (OEC) - Child Care Licensing and Administration	024	\$4,110,354	\$3,414,537	\$3,414,537
OEC - Child Care Assistance Program	080	\$48,077,658	\$53,684,568	\$53,684,568
OEC-Grants to Improve the Quality and Availability of Child Care and to Comply with Federal Targeted Funds Requirements	085	\$3,432,807	\$3,473,633	\$3,473,633
OEC-Early Childhood Councils	086	\$1,984,056	\$1,981,756	\$1,981,756
OEC-School-readiness Quality Improvement Program	089	\$2,221,295	\$2,228,586	\$2,228,586
Office of Self-Sufficiency- Electronic Benefits Transfer Service	293	\$12,486	\$35,575	\$35,575
Prior Year Accounts Payable Reversion		-\$305,761	\$0	\$0
Adjustments - Audit and Other Miscellaneous	480	-\$2,965	\$0	\$0
<b>Total</b>	<b>Total</b>	<b>\$63,713,812</b>	<b>\$69,026,366</b>	<b>\$69,026,366</b>

**Table C - Maintenance of Effort (MOE) and Matching Sources Organized by Long Bill Line Item**

<b>Source of Matching Funds By Long Bill Line Item</b>			
<b>Long Bill Line Item</b>	<b>Matching Amount</b>		
	<b>SFY 2013-14 Actual</b>	<b>SFY 2014-15 Estimate</b>	<b>SFY 2015-16 Request</b>
Executive Director's Office (EDO) - Indirects	\$ 528,549	\$ 528,549	\$ 528,549
EDO - Workers' Comp	\$ 49,643	\$ 49,643	\$ 49,643
EDO - Payment to Risk Management and Property Funds	\$ 14,844	\$ 14,844	\$ 14,844
EDO - Office of Performance Improvement	\$ 53,592	\$ 53,592	\$ 53,592
Office of Early Childhood (OEC) - Child Care Licensing and Administration	\$ 1,760,539	\$ 1,760,539	\$ 1,760,539
OEC - Fines Assessed Against Licensees	\$ 47,662	\$ 47,662	\$ 47,662
OEC - Child Care Assistance Program	\$13,957,158	\$13,957,158	\$13,957,158
OEC - Child Care Grants for Quality and Availability and Federal Targeted Funds Requirments	\$ 2,795,932	\$ 2,795,932	\$ 2,795,932
Division of Child Welfare - Child Welfare Services	\$ 3,754,241	\$ 3,754,241	\$ 3,754,241
Office of Operations (OPS) - Leased Space	\$ 5,374	\$ 5,374	\$ 5,374
OPS - Vehicle Lease Payment	\$ 2,677	\$ 2,677	\$ 2,677
Crib Inspection App 522	\$ 2,400	\$ -	\$ -
Office of Information Technology Services (ITS) - Purchase of Services from Computer Center	\$ -	\$ -	\$ -
Subtotal	<b>\$22,972,609</b>	<b>\$22,972,609</b>	<b>\$22,970,209</b>
<b>Detailed Breakdown of Matching Funds (Other sources)</b>			
Mile High United Way	\$ 1,757,145	\$ 1,757,145	\$ 1,757,145
General Fund - Special Education	\$ 4,097,723	\$ 4,097,723	\$ 4,097,723
General Fund - Colorado Preschool Program (CDE)	\$ 1,789,188	\$ 1,789,188	\$ 1,789,188
Subtotal	\$ 7,644,056	\$ 7,644,056	\$ 7,644,056
<b>Total Matching from all Sources</b>	<b>\$30,616,665</b>	<b>\$30,616,665</b>	<b>\$30,614,265</b>
<b>Source of Maintenance of Effort (MOE)</b>			
<b>Long Bill Line Item</b>			
County MOE	\$ 8,337,406	\$ 8,337,406	\$ 8,337,406
County Required 20% Share of Administration Costs	\$ 1,784,103	\$ 1,784,103	\$ 1,784,103
<b>Total</b>	<b>\$10,121,509</b>	<b>\$10,121,509</b>	<b>\$10,121,509</b>

## Table D- Activities to Improve the Quality of Child Care 4% Federal Requirement

Federal regulations state not less than 4% of the Child Care Development Funds (CCDF) a state receives shall be expended on activities that are designed to provide comprehensive consumer education to parents and the public, activities to increase parental choice, and activities designed to improve the quality and availability of child care. The 4% requirement applies to the expenditures of Discretionary, Mandatory, and both the State and Federal share of the Match grant. This includes any funds transferred to the CCDF Discretionary grant from the Temporary Assistance to Needy Families Block Grant.

### State Fiscal Year 2013-14, 2014-15, and 2015-16 4% Quality Requirement

	Actual	Estimate	Request
	SFY 2013-14 <sup>1</sup>	SFY 2014-15	SFY 2015-16
CCDF Mandatory Award	\$ 10,173,800	\$ 10,173,800	\$ 10,173,800
CCDF Match Award (Federal Share)	\$ 28,775,156	\$ 28,561,561	\$ 28,487,595
Match (State Share)	\$ 28,775,156	\$ 28,561,561	\$ 28,487,595
CCDF Discretionary Award	\$ 29,045,129	\$ 29,483,947	\$ 29,483,947
CCDF/TANF Transfer	\$ 229,084		
<b>Total CCDF Funds</b>	<b>\$ 96,998,325</b>	<b>\$ 96,780,869</b>	<b>\$ 96,632,937</b>
<b>Total Required to Meet 4%</b>	<b>\$ 3,879,933</b>	<b>\$ 3,871,235</b>	<b>\$ 3,865,317</b>

<sup>1</sup> Calculated with 25% of FFY12 and 75% of FFY13, shown in columns to the left for reference.

### Actual and Estimated Spending On 4% Quality Requirement

#### Organized By Long Bill Line Item

	Actual	Estimate	Request
	SFY 2013-14	SFY 2014-15	SFY 2015-16
Office of Operations (OPS) - Personal Services	\$ 2,677	\$ 2,677	\$ 2,677
Executive Director's Office (EDO)-Payment to Risk Management and Property Funds	\$ 56,306	\$ 56,306	\$ 56,306
Office of Early Childhood (OEC) - Child Care Licensing and Administration	\$ 3,899,058	\$ 3,899,058	\$ 3,899,058
OEC - Grants to Improve the Quality and Availability of Child Care and to Comply with Federal Targeted Funds Requirements	\$ 3,723,274	\$ 3,723,274	\$ 3,723,274
OEC - Early Childhood Councils	\$ 329,918	\$ 329,918	\$ 329,918
OEC - School-readiness Quality Improvement Program	\$ 2,221,295	\$ 2,221,295	\$ 2,221,295
Pass-through Account (TANF) transfer Child Care Reserves	\$ 767,724	\$ -	\$ -
Crib Inspection	\$ 2,400	\$ -	\$ -
<b>Total Spending on Quality Activities</b>	<b>\$ 11,002,653</b>	<b>\$ 10,232,528</b>	<b>\$ 10,232,528</b>

### Table D1 - Targeted Funds Spending

FY 2013-14 Targeted Spending by Long Bill Line Item by Targeted Category

Long Bill Line Item	COFRS Appropriation Number	FY 2013-14 Actual Expenditures
<b>CC - Grants to Improve the Quality and Availability of Child Care and to Comply with Federal Targeted Funds Requirements</b>		
	<b>085</b>	
Quality Expansion Targeted		\$ 1,299,447
School Age Resource and Referral		\$ 220,396
Infant/Toddler		\$ 1,060,341
Subtotal	<b>085</b>	<b>\$ 2,580,184</b>
<b>CC - Early Childhood Councils</b>		
	<b>086</b>	
Quality Expansion Targeted		\$ 1,252,817
School Age Resource and Referral		\$ -
Infant/Toddler		\$ 401,320
Subtotal		<b>\$ 1,654,137</b>
<b>Total</b>		<b>\$ 4,234,321</b>
<b>Totals by Targeted Category</b>		
Quality Expansion Targeted		\$ 2,552,263
School Age Resource and Referral		\$ 220,396
Infant/Toddler		\$ 1,461,661
Total		<b>\$ 4,234,320</b>

**Table D2 - Estimated Expenditures to Comply with Federal Targeted Funds Requirement**

<b>FY 2014-15 Targeted Funds Requirement (Estimated Expenditures)</b>				
	<b>Quality Expansion</b>	<b>Infant Toddler</b>	<b>School Age Resource and Referral</b>	<b>Total</b>
Open Federal CCDF Targeted Funds as of July 1, 2014	\$ 268,336	\$ 434,123	\$ 10,528	\$ 712,987
Additional Targeted Funds Open During FY 2013-14 (75% of Estimated FFY 2012 Targeted Funds)	\$ 1,809,856	\$ 1,048,134	\$ 172,721	\$ 3,030,711
<b>Total Targeted Funds Open in FY 2014-15</b>	<b>\$ 2,078,192</b>	<b>\$ 1,482,257</b>	<b>\$ 183,249</b>	<b>\$ 3,743,698</b>
<b>Total Projected Spending by LBLI:</b>				
Grants to Improve the Quality and Availability of Child Care and to Comply with Federal Targeted Funds Requirements and Early Childhood Councils	\$ 2,078,192	\$ 1,482,257	\$ 183,249	\$ 3,743,698
<b>Total FY 2014-15 Estimated Spending</b>	<b>\$ 2,078,192</b>	<b>\$ 1,482,257</b>	<b>\$ 183,249</b>	<b>\$ 3,743,698</b>
Targeted Funds Balance After FY 2014-15 Spending	\$ 0	\$ 0	\$ 0	\$ 0
<b>FY 2015-16 Targeted Funds Requirement (Estimated)</b>				
	<b>Quality Expansion</b>	<b>Infant Toddler</b>	<b>School Age Resource and Referral</b>	<b>Total</b>
Estimated Open Targeted Funds as of July 1, 2015	\$ 603,285	\$ 349,378	\$ 57,574	\$ 1,010,237
Additional Targeted Funds Open During FY 2015-16 (75% of Estimated FFY 2014 Targeted Funds)	\$ 1,809,856	\$ 1,048,134	\$ 172,721	\$ 3,030,711
<b>Total Targeted Funds Open in FY 2015-16</b>	<b>\$ 2,413,141</b>	<b>\$ 1,397,512</b>	<b>\$ 230,295</b>	<b>\$ 4,040,948</b>
<b>Total Projected Spending by LBLI:</b>				
Federal Discretionary Child Care Funds Targeted Funds for Certain Purposes	\$ 2,413,141	\$ 1,397,512	\$ 230,295	\$ 4,040,948
<b>Total FY 2015-16 Estimated Spending</b>	<b>\$ 2,413,141</b>	<b>\$ 1,397,512</b>	<b>\$ 230,295</b>	<b>\$ 4,040,948</b>
Targeted Funds Balance After FY 2015-16 Spending	\$ 0	\$ 0	\$ 0	\$ 0



October 31, 2014

The Honorable Crisanta Duran  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

Dear Representative Duran:

The Department of Human Services, in response to FY 2014-15 Request for Information #12 (RFI #12), respectfully submits the attached information detailing FY 2013-14 expenditure and client data for the Child Welfare Services line item. RFI #12 requests the Department “to provide to the Joint Budget Committee by November 1 of each year, information concerning the actual use of funds distributed through the child welfare allocation model, including data on expenses and children served by funding category. At a minimum, such data should include the following: (a) program services expenditures and the average cost per open involvement per year; (b) out-of-home placement care expenditures and the average cost per child per day; and (c) subsidized adoption expenditures and the average payment per child per day.”

If you have questions, please contact Julie Krow, Director of the Office of Children, Youth and Families at 303-866-5414.

Sincerely,

Reggie Bicha  
Executive Director



cc: Senator Pat Steadman, Vice-Chair, Joint Budget Committee  
Senator Mary Hodge, Joint Budget Committee  
Senator Kent Lambert, Joint Budget Committee  
Representative Jenise May, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Henry Sobanet, Director, Office of State Planning and Budgeting  
Ann Renaud, Senior Management & Budget Analyst, Office of State Planning and Budgeting  
Nikki Hatch, Deputy Executive Director of Operations, Department of Human Services  
Dee Martinez, Deputy Director of Enterprise Partnerships, Department of Human Services  
Melissa Wavelet, Director, Office of Performance and Strategic Outcomes, Department of Human Services  
Sarah Sills, Director of Budget and Policy, Department of Human Services  
Julie Krow, Director, Office of Children, Youth, and Families, Department of Human Services  
Roberth Werthwein, Deputy Director, Office of Children, Youth, and Families, Department of Human Services  
Ann Rosales, Director, Division of Child Welfare, Department of Human Services  
Jennifer Corrigan, Legislative Liaison, Department of Human Services



**CDHS Child Welfare Data**  
**Use of Funds**  
**Year by Year Comparison**  
**RFI # 12**

**Legend:**

- a - Program Services Expenditures and Average Cost Per Open Involvement Per Year
- b - Out-of-Home Placement Care Expenditures and Average Cost Per Child Per Day
- c - Subsidized Adoption Expenditures and Average Payment Per Child Per Day

<b>STATE TOTALS</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>
<b>Child Population Ages 0-17</b>	1,258,823	1,281,607	1,274,619	1,250,366	1,256,840	1,272,432
<b>Referrals (Families)</b>	76,144	76,628	80,094	81,734	83,045	83,278
<b>Assessments</b>	64,745	65,947	60,791	58,660	57,069	54,878
<b>Total New Involvements</b>	14,459	13,947	12,142	13,153	12,237	10,962
<b>Open Involvements</b>	41,918	41,848	39,403	39,177	37,524	35,486
<b>Out-of-Home Open Involvements</b>	12,342	11,905	11,246	10,503	9,687	9,705
<b>Average Days per Year for Out-of-Home Open Involvements</b>	155	146	144	138	138	133
<b>b Total Out-of-Home Placement Care Expenditures</b>	\$130,760,470	\$119,784,207	\$110,418,858	\$104,895,302	\$94,697,249	\$86,239,958
<b>Total Paid Days for all Out-of-Home</b>	1,912,476	1,740,892	1,616,767	1,448,380	1,335,518	1,295,121
<b>b Average Cost per Day for all Out-of-Home Care</b>	\$68.37	\$68.81	\$68.30	\$72.42	\$70.91	\$66.59
<b>a Program Services Expenditures</b>	\$174,268,650	\$171,246,045	\$171,361,257	\$175,671,726	\$180,859,829	\$179,950,301
<b>a Average Program Service Cost per Open Involvement</b>	\$4,157	\$4,092	\$4,349	\$4,484	\$4,820	\$5,071
<b>Number of Children Receiving Adoption Subsidy</b>	10,560	10,989	11,156	11,363	11,536	11,575
<b>c Average Cost Per Child per Day for Adoption Subsidy</b>	\$15.14	\$14.93	\$14.69	\$14.52	\$14.04	\$13.48
<b>Total Annual Adoption Subsidy Paid Days</b>	2,956,789	3,035,288	3,043,501	3,053,292	3,126,518	3,155,674
<b>c Total Annual Subsidized Adoption Expenditures</b>	\$44,770,265	\$45,327,396	\$44,705,407	\$44,321,213	\$43,881,743	\$42,531,151



October 31, 2014

The Honorable Crisanta Duran  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

Dear Representative Duran:

The Department of Human Services, in response to the FY 2014-15 Request for Information #13 (RFI #13), respectfully submits the attached information detailing payments by funding source to service providers in FY 2012-2013 and FY 2013-2014. RFI #13 requests the Department “to provide a report to the Joint Budget Committee by November 1 of each year, information concerning the gross amount of payments to child welfare service providers, including amounts that were paid using revenues other than county, state, or federal tax revenues. The Department is requested to identify amounts, by source, for the last two actual fiscal years.”

If you have questions, please contact Julie Krow, Director of the Office of Children, Youth and Families at 303-866-5414.

Sincerely,

Reggie Bicha  
Executive Director



cc: Senator Pat Steadman, Vice-Chair, Joint Budget Committee  
Senator Mary Hodge, Joint Budget Committee  
Senator Kent Lambert, Joint Budget Committee  
Representative Jenise May, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Henry Sobanet, Director, Office of State Planning and Budgeting  
Ann Renaud, Sr. Management & Budget Analyst, Office of State Planning and Budgeting  
Nikki Hatch, Deputy Executive Director of Operations, Department of Human Services  
Dee Martinez, Deputy Director of Enterprise Partnerships, Department of Human Services  
Melissa Wavelet, Director, Office of Performance and Strategic Outcomes, Department of Human Services  
Sarah Sills, Director of Budget and Policy, Department of Human Services  
Julie Krow, Director, Office of Children, Youth, and Families, Department of Human Services  
Robert Werthwein, Deputy Director, Office of Children, Youth, and Families, Department of Human Services  
Ann Rosales, Director, Division of Child Welfare, Department of Human Services  
Jennifer Corrigan, Legislative Liaison, Department of Human Services  
Molly Otto, State Librarian



**RFI #13: Gross Amounts Paid to Child Welfare Service Providers  
By Funding Source**

<b>Payment Type</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>
Social Security Income*	\$ 5,185,743	\$ 3,779,700
Provider Recovery Revenue	\$ 76,390	\$ 22,012
Child Support	\$ 1,817,526	\$ 1,815,739
Parental Fees	\$ 3,038,179	\$ 2,624,992
Veteran's Benefits	\$ 750	\$ -
Parental Medical Adjustment Paid to County	\$ 627	\$ 1,380
Other Sources	\$ 34,844	\$ 60,083
<b>Total</b>	<b>\$ 10,154,059</b>	<b>\$ 8,303,907</b>

\* Social Security Income includes Supplemental Security Income (SSI), Social Security Disability Income (SSDI) and Social Security Administration (SSA).

## **Appendix D: Indirect Cost Assessment Methodology**

This appendix is included in the briefing presentation for the Department of Human Services, Executive Director's Office, scheduled for December 5, 2014.

## **Appendix E: SMART Act Annual Performance Report**

Pursuant to Section 2-7-205 (1) (a) (I), C.R.S., the Department of Human Services is required to publish an Annual Performance Report by November 1 of each year. This report is to include a summary of the Department's performance plan and most recent performance evaluation. The report dated November 10, 2014 is attached for consideration by the Joint Budget Committee in prioritizing the Department's budget requests

**Strategic Policy Initiatives**

The Department of Human Services has identified several strategic policy initiatives for FY 2014-15 and beyond. For this evaluation report, the Department selected a few initiatives that best capture some of the Department's strategic and operational priorities and reflect the overall direction as identified by Department leadership. The initiatives also provide context for much of the day-to-day work, which is highlighted in the measures section of the report. Additional detail for these, and other, strategic policy initiatives is available in the Department's Performance Plan, which may be accessed [here](#).

**Thrive in the community**

**Expand community living options for all people served by the Department** - Colorado continues its rich tradition of innovation in its services to elderly individuals and those with disabilities, mental illnesses, or substance use disorders. The Department remains committed to decreasing the number of people housed in public institutions through the development of community resource networks and high-quality community-based services. These services enable individuals to thrive in the setting of their choice.

**To ensure child safety through improved prevention, access and permanency** - Colorado is committed to ensuring that children living anywhere in Colorado should be in safe and permanent settings. Furthermore, the Department is committed to ensuring that children are entitled to the same level of protection from abuse and neglect everywhere in Colorado.

**Achieve economic security through meaningful work**

**To achieve economic security for more Coloradans through employment and education** - The Department remains focused on making public benefits more effective and increasing access to public benefits when eligible. There is increased emphasis on employment and how to transform the Colorado Works program to be, first and foremost, about supporting individuals to prepare for, attain, and retain employment to support their families. The Department is committed to assisting citizens served through its many programs to gain and retain employment, as well as, enhance employment opportunities over time.

**Prepare for educational success throughout their lives**

**To improve kindergarten readiness through quality early care and learning options for all Coloradans** - As the Office of Early Childhood enters the third year since its creation in 2012, it remains focused on supporting the parents of young children to ensure educational success. The two divisions in the Office of Early Childhood work collaboratively to champion the needs of young children in Colorado through their work with community partners, including Nurse Family Partnership, Head Start, child care providers, Early Childhood Councils, Family Resource Centers, and the Children's Trust Fund. The Office is committed to increasing high-quality access for children and ensuring that children receive early intervention services that are timely and appropriate.

**To return youth committed to the Division of Youth Corrections (DYC) to the community better prepared to succeed through education received while in the custody of the Department** - The Division of Youth Corrections provides educational services to youth residing in state-operated facilities and those placed in contract residential programs. In 2014, subject matter experts have been hired and hardware purchased to lay the foundation for improving the DYC educational infrastructure. In addition to the services provided to youth in state-operated and contract programs, DYC also assists youth in connecting with community services and institutions upon parole. Division of Youth Corrections' client manager parole officers work collaboratively with local school districts, alternative schools, community colleges, and private providers of tutoring services to ensure youth are placed in the appropriate school setting to meet their needs.



# Department of Human Services Annual Performance Report

## Operational Measures

### Thrive in the community

Measure	FY12 Actual	FY13 Actual	FY14 Actual	1-Year Goal	3-Year Goal
Percentage of infants and toddlers with growth in skills	65.6%	81.0%	76.4%	85.0%	85.0%
Compliance with the Statutory Requirement Related to Timeliness of Assessment Closure	61.2%	73.7%	86.1%	92.0%	95.0%
Percentage of children and youth in congregate care settings	23.3%	23.0%	20.6%	18.4%	15.0%
Percentage of youth who do not recidivate in residential placements	99.6%	99.9%	100%	98.0%	98.0%
Length of time to transition to community setting (i.e., goal is 60 days)	76	92	114	60	60
Percentage of Veteran's Community Living Centers residents without falls	81.0%	79.0%	80.0%	88.0%	88.0%
Percentage of timely responses to adult protection inquiries (i.e., Emergency/24 Hour or Non-emergency/3 Business Days)	77.0%	91.0%	95.2%	90.0%	90.0%
Percentage of persons treated who show reduced mental health symptoms	52.6%	53.6%	56.7%	67.0%	67.0%

### Achieve economic security through meaningful work

Measure	FY12 Actual	FY13 Actual	FY14 Actual	1-Year Goal	3-Year Goal
Attainment of successful employment*	2,496	2,957	1,604	2,959	2,960
Accuracy percentage of initial eligibility decisions	97.9%	95.1%	97.5%	97.0%	97.0%
Collection percentage of current child support due	62.8%	62.7%	63.4%	65%	66%
Percentage of monthly Food Assistance expedited applications processed within seven calendar days	85.4%	91.03%	90.0%	95.0%	95.0%
Percentage of Monthly Food Assistance recertification applications processed within 60 days	74.2%	88.76%	87.2%	95.0%	95.0%
Percentage of Colorado Works participants gaining employment	N/A	21.26%	18.68%	25.0%	35.0%
Percentage of Old Age Pension and Aid to the Needy Disabled applications processed within 60 and 45 days, respectively	89.6%	90.1%	95.0%	95.0%	95.0%

\*In May 2013, the Division of Vocational Rehabilitation instituted a full Order of Selection waiting list. This ultimately reduced the number of active cases to be worked, and has therefore, contributed to the reduction of successful employment outcomes this year.



## Department of Human Services Annual Performance Report

### Prepare for educational success throughout their lives

Measure	FY12 Actual	FY13 Actual	FY14 Actual	1-Year Goal	3-Year Goal
Percentage of children utilizing Colorado Child Care Assistance Program in top-rated facilities	N/A	N/A	20.7%	34.0%	34.0%
Percentage of youth enrolled in education or employed at discharge	62.9%	70.0%	78.0%	85.0%	85.0%